ABSTRACT

Title of Dissertation: THE WELFARE-WARFARE STATE: PERPETUATING THE U.S. MILITARY ECONOMY

Rebecca U. Thorpe, Doctor of Philosophy, 2010

Dissertation Directed By: Frances E. Lee
Department of Government & Politics

This dissertation examines the institutional processes that led a country founded on a grave distrust of standing armies and centralized power to develop and maintain the most powerful military in history. I theorize that, after World War II, the importance of the defense sector of the economy to defense industries, Department of Defense personnel and key members of Congress created strong incentives to perpetuate and expand the U.S. military industry. Using a multi-method approach—including quantitative methods, mapping techniques, archival research and qualitative analysis—I find that overlapping institutional interests encourage policymakers to extend defense procurement expenditures independent of their national security goals. Analysis of an original database demonstrates that economic and political factors encourage military spending in more rural areas with less diverse economies—areas

that are disproportionately reliant on the defense dollars that they receive. The extension of defense benefits to more economically dependent constituencies has coincided with policies that systematically reduce the public costs of war, including deficit financing, a growing use of private contractors, and an all-volunteer military. This gives key constituencies a disproportionate stake in the military economy and makes it easier for policymakers to maintain a defense establishment without fear of electoral reprisal. I argue that, as a consequence, expansive defense resources have allowed the president to act with greater independence from Congress. While the hierarchical structure of the executive branch encourages presidents to initiate military and foreign policy—which historically includes neutrality, diplomacy and military engagements—the administration's capacity to direct military actions without ongoing congressional cooperation depends largely on available resources and institutional authority. As long as congressional budgetary authorizations provide ongoing defense resources available for mobilization at any time, presidents enjoy increased flexibility in directing military engagements independently. Evidence suggests that political power concentrates when separate institutions find shared incentives to cooperate, regardless of institutional mechanisms designed to disperse power. Coinciding interests in defense sector expansion aggregate resources and authority in the executive branch, weakening the system of checks and balances.

THE WELFARE-WARFARE STATE: PERPETUATING THE U.S. MILITARY ECONOMY

by

Rebecca U. Thorpe

Dissertation submitted to the faculty of The Graduate School of the
University of Maryland, College Park in partial fulfillment
of the requirements for the degree of
Doctor of Philosophy
2010

Advisory Committee

Professor Frances E. Lee, Chair
Professor Jacques Gansler
Professor James Gimpel
Professor Mark Graber
Professor Wayne McIntosh
Professor Irwin Morris

Dedication

I dedicate this work to Gregory A. Thorpe, in loving memory.

Acknowledgments

I would like to thank Frances Lee for her support and assistance through every stage of this project. I also thank Alexi Maschas for ongoing feedback, editorial suggestions and programming assistance that allowed me to access and utilize much of the data. Finally, I am grateful to Jim Gimpel, Mike Hanmer and Kerem Ozan Kalkan for methods assistance.

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Introduction

After the 2008 presidential election, constitutional law scholar Jack Balkin took stock of the vast powers over intelligence services and military resources that the new president inherited: President Obama commands congressionally approved surveillance policies, an executive bureaucracy devoted to homeland security and intelligence gathering, expansive military forces ready for mobilization at any time and ongoing supplies of technologically sophisticated military equipment, including unmanned drones, robotics and stealth technology.[1] Although the previous Bush administration sought to utilize these resources to a greater extent than earlier administrations did, executive control over military and intelligence equipment is not new. Since the end of World War II, presidents have directed defense and intelligence bureaucracies and controlled ongoing supplies of military equipment and standing armies under an executive chain of command. Given the slate of resources at the president's disposal, many scholars and commentators fear that Congress lacks the tools—or the determination—to check the executive branch if the administration oversteps its constitutional bounds (Fisher 2004, 1989; Silverstein 1997; Adler &

[1] "Obama will begin [his administration] with broad new powers over domestic and existing international surveillance and congressional approval for military tribunals and existing interrogation and detention practices. He will oversee a new bureaucracy devoted to homeland security and greatly expanded intelligence services. He will command military forces and state-of-the-art weaponry strategically placed around the globe…" (Balkin 2008).

George eds. 1996; Black 1980; Koh 1990, 1988; Wormuth & Firmage 1986; Mann & Ornstein 2006).

My research analyzes how a nation founded on an acute distrust of standing armies and centralized power has developed and maintained the most powerful military in history. Textbook American history suggests that geopolitical threats—the ascent of Nazi Germany during World War II followed by the Soviet threat that gave rise to the Cold War—explain the growth of the U.S. military establishment. While these conflicts dramatically altered the course of U.S. foreign policy and military readiness, the existence of foreign threats cannot fully explain why Congress failed to eliminate a single Cold War weapon production line[2] after the fall of the Soviet Union (Gholz & Sapolsky, 1999-2000, 5) or why Congress has not issued a single declaration of war since the eve of World War II—despite five major wars and hundreds of military conflicts.

I argue that rise of a permanent military industry during and after World War II created shared interests between separate branches of government—including key members of Congress, Department of Defense (DoD) personnel and defense industries—to perpetuate the defense expenditures independent of policymakers' national security goals. I am not simply suggesting that members of Congress from areas with defense industries will seek more military spending. Rather, unlike previous work, my research suggests that more rural areas with less diverse economies are disproportionately reliant on local defense infrastructure, and that members of Congress representing these localities prioritize defense interests more

[2] Following Gholz & Sapoklsky (1999-2000, 5), a line is a privately held or managed facility that builds a particular weapon platform. The failure to eliminate a production line means that the same factories still manufacture the same aircraft, ships and armored vehicles and their various successors.

than other members with a similar defense industry presence situated within a more diverse economic context. Further, I argue that members' revealed 'preference intensity' (Hall 1996, 1987) with regard to defense spending not only influences internal congressional processes—such as defense committee membership and members' support for various types weapons programs—but also goes on to influence how the Department of Defense, contractors and defense industry managers allocate defense contract benefits.

Unlike prior quantitative studies, the theory of local economic reliance and the new emphasis on industrially homogenous, rural geography yields robust evidence suggesting that the institutions responsible for defense spending all have a stake in the status of the U.S. arms economy, and work together to perpetuate various types of weapons expenditures. On one hand, this evidence corroborates and extends prior case studies suggesting that institutional arrangements between key members of Congress, Defense Department personnel and defense industries encourage inefficiency and excess in defense procurement expenditures. On the other hand—and perhaps more critically—I theorize that the proliferation of military resources has also contributed to the president's ability to direct military actions without consulting Congress. These institutional arrangements weaken the basic underpinnings of the constitutional system of checks and balances.

Previous scholarship on defense spending breaks down based largely on methodology. On one hand, organizations, media and commentators examining defense policy commonly criticize the Pentagon budget for waste and inefficiency, and Congress is widely perceived as part of the problem (see Center for Defense

Information, various years; Project on Government Oversight, various years; Democracy Arsenal, various years). In fact, a variety of case studies and anecdotal accounts support the theory that mutually beneficial relationships between key members of Congress, Defense Department bureaus and defense firms encourage greater spending than necessary on a significant number of weapons programs (see Higgs 2006; Cavanagh, in Sigal ed. 1999; Kotz 1988; Adams 1982; Kurth 1972; also see Freeman 1955; Arnold 1979; Fiorina 1989; Stein & Bickers 1997 on policy subsystems). Additional scholarship highlights examples of inefficiencies (Higgs 2006; Kovacic 1990; Simon 1988; Gansler 1980) and excess (Melman 1962) in military spending, as well as potential for congressional influences in the distribution of defense benefits (Mayer 1990, 1991; Rundquist & Carsey 2002) and base closures (Twight 1990).

Yet, on the other hand, political scientists utilizing statistical analyses that account for the behavior and preferences of all members of Congress over time have found little *systematic* evidence supporting the findings presented in case studies. This work challenges basic assumptions that members and Senators consistently support defense programs in order to protect local jobs and direct revenue to their constituencies (Bernstein & Anthony 1974; Cobb 1976; Ray 1981a; Fleisher 1985; Lindsay 1991; Mayer 1991) or that defense contracts are regularly distributed to advance members' reelection interests (Goss 1972; Rundquist 1973, 1978; Rundquist & Griffith 1976; Ray 1981b; Mayer 1990, 1991; but also see Rundquist & Carsey 2002).

Previous scholarship examining broad trends in weapons spending and allocations—as opposed to individual case studies—appears to contradict the notion that members of Congress align with Pentagon bureaus and defense industries in pursuit of mutual benefits. These statistical findings lead to policy recommendations that increased congressional oversight of Pentagon bureaucracies—more accountability—will help contain defense budgets and save taxpayer dollars. However, additional oversight will not help contain defense budgets if the relevant institutions—members of Congress, defense bureaus and defense industries—lack incentives to enforce compliance, make strategic budget trade-offs or cancel outmoded programs. In fact, if the case studies suggesting that political factors drive defense spending are relevant on a larger scale, then granting Congress increased oversight may even exacerbate the problem that these scholars address.

This project bridges the divide between prior case studies and systematic examinations of defense spending across cases. I argue that, while the conventional wisdom that members of Congress will protect their local economic interests is correct, these understandings are not nuanced enough to explain congressional voting on defense procurement spending or defense contract allocations. Rather, *more economically homogenous constituencies* experience greater reliance on existing defense facilities than more economically diverse areas with an equal defense sector presence. Members will be more likely to support defense expenditures if military spending is essential to the local economic livelihood. There will be a lower probability of congressional support from members representing areas where military spending is situated within a diverse, vibrant economy. In sum, constituency interests

matter more in less diverse local economies with fewer overall employment opportunities.

My study provides new evidence suggesting that institutional incentives encourage policymakers to extend various aspects of the defense economy separate from their national security goals. In doing so, the study moves beyond extant literature in several ways. First, as stated previously, existing studies on the congressional politics of defense contracting do not consider the importance of the defense industry to a constituency's overall economy. Unlike prior work, my research emphasizes how the concentration of the local defense sector *relative to other industries* affects representatives' incentives to prioritize defense interests, stave off program cuts, press for greater levels of weapons spending and seek defense benefits. Specifically, I argue that districts with *less diverse economies* are disproportionately reliant on the defense dollars they receive. Congressional members from these districts prioritize defense interests more than members representing constituencies with an equal number of defense industries scattered amongst a more diverse, vibrant economic landscape. The theory of disproportionate economic reliance suggests that representatives' political motivations are not shaped merely by the presence of defense facilities, but are also influenced by the importance of the defense industry to the overall local economy. In broader terms, constituency interests affect congressional incentives differently depending on local context.

Second, this project extends the scope of previous work examining patterns of congressional support for various types of defense expenditures. In addition to ideological disputes over the level of funding for military procurements and

development of nuclear weapons, I assess why members support disproportionately high-cost weapons systems opposed by top Pentagon officials. Previous studies of congressional support for weapons programs tend to assess members' voting patterns on highly charged, politically controversial programs, such as anti-ballistic missiles (Bernstein & Anthony 1974), the Strategic Defense Initiative (commonly referred to as Star Wars) (Lindsay 1991; Ray 1981a) and foreign policy votes, such as funding for the Vietnam War (Cobb 1976). However, it is prohibitively difficult to parse the economic significance of these votes at a state or district level. Therefore, these studies produce findings that tap into partisan or ideological disagreements over funding. By contrast, systems that draw controversy within top Pentagon circles often reflect non-ideological, strategic goals. At the very least, members' preferences for these systems cannot be neatly categorized as a liberal or conservative position. Examining congressional preferences for strategically controversial systems—in addition to the politically charged defense debates that previous scholars have considered—allows me to assess potential variation in legislative preferences for different types of weapons programs and to tease out members' motivations beyond their ideology or their partisanship. An original database with information on the location of primary manufactures of the weapons systems under study allows me to gauge a more precise economic impact of these voting decisions.

Third, the analysis is the first attempt to assess the influence of commercial defense facilities—as opposed to military bases, airfields and naval yards—on political incentives and national defense decisions. Commercial industries are private firms that operate for profit, such as Lockheed Martin, Boeing Company, or Raytheon

Corporation. The private defense industry generates hundreds of billions of dollars annually and employs millions of U.S. workers (Gholz & Sapolsky 1999-2000).[3] Defense facilities are spread across all 50 states and located in the preponderance of congressional districts. By some measures, the defense sector exceeds the size of the U.S. auto industry, the recent subject of a government bailout devised to sustain critical regional and state employment levels.[4] Given the size and scope of the military sector, it is reasonable to expect that this industry exerts substantial pressures on political representatives.

Fourth, the analysis benefits from improved data on contracting. Early studies focusing on procurement outlays suggest that constituencies do not reap considerable benefits from representation on defense committees (Rundquist & Griffith 1976; Goss 1972; Rundquist 1978; Ray 1981b). However, there is reason to suspect that earlier work focusing solely on the allocation of prime contract dollars may have concealed political factors that influence these processes. While prime procurement outlays may flow to wealthy, urban areas with defense industry headquarters (Markuson et al. 1991; Mayer 1991), these funds 'trickle down' to other areas in the form of subcontracts. Researchers have speculated that subcontracts are deliberately dispersed as widely as possible in order to attract greater political support for weapons programs (Mayer 1990, 218-231; 1991, 155-174; Rundquist 1978, 42). Given the extensive usage of subcontracting and relaxed regulations governing these processes,

[3] Defense contracting exceeded $180 billion in defense procurements and research and development in the 2009 fiscal year. This figure does not include expenditures for military personnel, military bases, nuclear weaponry or supplemental funding for the wars in Iraq and Afghanistan. Nor does it include billions of dollars of annual weapons sales to foreign nations.

[4] The defense industry dwarfs the size of the auto industry in terms of annual revenue and rivals the auto industry based on private sector employment.

these secondary distributions offer contractors an optimal strategy to increase political support for weapons programs.

Finally, unlike previous scholarship, I argue that the rise of a permanent military industry and the resulting politics of military procurement have serious consequences for the constitutional regime of checks and balances. Specifically, legislators' incentives to perpetuate defense resources and the absence of sustained military demobilization fundamentally weaken Congress' institutional check on executive war powers. Congress' control over funding is commonly understood to be the most viable tool to limit the president's military actions (Yoo 2005, 1999; Silverstein 1997; Hamilton 1788, *Federalist* 69 in Rossiter ed. 2003; Madison 1788, *Federalist 48,* in Rossiter ed. 2003). However, as long as legislators use this power to extend available defense resources, presidents enjoy an enhanced ability to direct military actions without consulting Congress. The development of a standing military arsenal has created an environment in which members of Congress support the ongoing appropriation of defense resources and find it politically difficult to use their spending powers to oppose military actions.

While party politics will sometimes spur Congress to oppose a president's independent military actions (Howell & Pevehouse 2007), these legislative measures rarely prevent the administration from carrying out its agenda. As long as Congress provides funds for the equipment and manpower necessary to mobilize the military, presidents can draw upon these resources to initiate military action without consulting Congress. Further, executives will arrange to seek congressional approval when they

expect to receive it and can anticipate that Congress will experience great pressure to provide funds for troops that are already engaged in armed conflicts.

Evidence of institutionally entrenched interests in the expansion of the defense industry does not contradict the view of defense spending as a response to perceived national security threats. However, it does suggest that the conventional wisdom provides only a partial picture of the extent and features of the military establishment. Additional institutionalized factors—defense revenue, job security, economic vulnerability and electoral strategies—shape the growth and characteristics of the modern U.S. military industry. Evidence presented here suggests that political interests in defense sector development encourage policymakers to extend defense expenditures regardless of geopolitical factors. These political strategies unwittingly counteract congressional efforts to reassert authority over military affairs. The rise of a permanent military industry has undermined congressional reassertion of power.

The Rise of the U.S. Military Industry: Externalized War Costs, Expansive Defense Benefits & Disproportionate Economic Reliance

Institutional structures influence political preferences. Accordingly, defense spending can be explained in part by the relationship between representatives and voters (Mayhew 1974). At the 1787 Pennsylvania Ratifying Convention, constitutional delegate James Wilson extolled representative government and separation of powers as practical limitations on unnecessary wars and executive control over the military (in Kurlund & Lerner eds. 1987). His reasoning, common among Federalists, assumes that the expense of war would carry a political cost for

elected officials. Higher tax burdens, lost productivity, military service requirements and potential damage to U.S. infrastructure would ensure that a declaration of war would be a hard sell for locally elected politicians. Therefore, Congress would declare war only as a last resort and be quick to dismantle the armed forces during peacetime.

This was largely true until mid-20th century. From the American Revolution until the Eisenhower administration, military spending was understood to be disadvantageous in peacetime. Congress mobilized forces in preparation for war and sharply cut military spending after the end of the conflict. A series of administrations and Congresses increased taxes and adjusted spending priorities during wartime and sought to pay down war debts during periods of diminished conflict (Homats 2007). The strategy prioritized the nascent government's future borrowing power by ensuring that the nation repaid its loans and that financial obligations were not passed on to future generations (Hamilton 1789, in Syrett ed. 1962).[5]

Patterns of military demobilization also constrained presidential authority over military affairs. In the War of 1812, a staunchly pro-war Republican majority in Congress mobilized military forces only immediately before declaring war against Britain. Throughout the conflict, Congress controlled the armed forces at the expense of President Madison (a fellow Republican) and dictated the terms of the war. Following World War II, in the decades since President Truman referred to the Korean War as a "police action," modern presidents have launched hundreds of military actions without first securing a formal congressional authorization. Congress has not issued a single declaration of war.

[5] "The creation of debt should always be accompanied by the means of its extinguishment" (Hamilton 1789, in Syrett ed. 1962).

The twentieth century growth of executive prerogative over military affairs is rooted in the institutional arrangements that the eighteenth century framers debated. As many leading constitutional founders had anticipated, congressional authority to raise armies and control military expenditures ensures that legislators are accountable to voters for their defense spending decisions. At the same time, presidents rely on Congress to raise troops and supply funds to go to war. However, following World War II, the growth of a profitable military industry spurred economic growth and created new legislative incentives to procure defense resources.

Chapter 1 shows that Congress' constitutional power to declare war (and a robust legislative role in the decision to go to war) rests on the anachronistic assumptions that the legislature would jealously guard the nation's defense resources, and that members of Congress would *want* to play an active role in national security policy. The chapters that follow provide new evidence that the growth of the U.S. military establishment encourages key members of Congress from more rural areas with less diverse infrastructure to protect their local economies by actively supporting increased weapons spending. At the same time, the rise of the national security state and heightened threat environment creates conditions in which all members experience pressures to defer to executive national security goals.

The Great Depression of the 1930s and 40s allowed for the first total military mobilization. Communities were economically devastated, jobs were scarce and the American people turned to the federal government for help. The transformation to a defense economy stimulated latent industrial capacity, provided U.S. jobs and contributed to the Allied war effort. These economic conditions minimized opposition

to government intervention in a wartime economy. The pronounced rise in defense spending also spurred the growth of large, profitable corporations, spread across vast swaths of the county, that are invested in the size of the U.S. military budget and the types of weapons systems that the government purchases. At the same time, many regions and localities depend on continued defense spending to maintain economic prosperity—particularly in areas with a concentrated defense sector presence (US GAO 1997a; Markuson et al. 1991).

Chapter 2 illustrates how, from the onset of the Cold War to the George W. Bush administration, defense contracting extended to increasing numbers of regions and localities—regardless of the size of the procurement budget. Further, since World War II, defense dollars have disproportionately extended to areas with less developed economic infrastructure, including more sparsely populated localities outside of central cities, the (formerly agrarian) South and South West, and finally, desert and mountain regions—even while the bulk of defense dollars remain heavily concentrated.

At the same time, the proliferation of defense benefits has coincided with policies that decrease public sacrifices traditionally associated with wars and push costs onto future generations (see Higgs 2007; Hormats 2007). Policies such as the All-Volunteer Force (—followed several decades later by the rise of private contractors and security forces—) increased deficit spending, and the development of technology that makes it easier for U.S. to fight its wars far from U.S. soil (thus avoiding potential damage to domestic infrastructure and lost productivity) reduce the direct public sacrifices necessary to initiate and maintain U.S. wars. While the ability

to utilize military force abroad at reduced cost to U.S. citizens provides obvious benefits, this arrangement also influences political debates over whether or not to employ military force in the first place. Rather than impose direct costs on popular majorities, key constituencies currently profit from ongoing military spending, while the costs of warfare are systematically reduced. As I argue in Chapter 5, this weakens popular opposition to U.S. wars and major military engagements, enabling presidents to draw upon an expanding pool of resources while structuring institutions to maximize their own discretion.

After World War II, the electoral incentives shaping defense spending decisions changed dramatically. In a post-war context, defense expenditures not only countered the rising Soviet threat but also met the needs of various local and regional economies. While recognizing the necessity of a private arms industry for victory in World War II, President Eisenhower famously warned the nation in 1961 of a military-industrial complex—or the "conjunction of an immense military establishment with a large arms industry"—and its pervasive influence within political and economic spheres. Since the onset of the Cold War, scholars have argued that an iron triangle links defense industries, Pentagon bureaucracies and members of Congress in mutually beneficial relationships that encourage defense spending separate from strategic necessities (see Mills 1956; Kurth 1972; Adams 1982; Kotz 1988; Cavangh 1990; Higgs 2006).

The iron triangle thesis suggests that a geographically widespread, highly profitable arms industry creates overlapping economic and political stakes in the arms economy. The profit-oriented goals of defense industry CEOs and contractors overlap

with Defense Department services that compete amongst each other for limited resources as well as those of communities that rely on defense sector employment and revenue for growth. The members of Congress representing these constituencies work to ensure continued funding for weapons expenditures that benefit their district. These members' career ambitions encourage them to protect local economic infrastructure by prioritizing defense interests and seeking defense benefits.

The unique characteristics of the military economy exacerbate these alliances. Unlike standard U.S. markets, the government is the sole legal purchaser of most military equipment. As a result, the government determines the prices, insures against losses and subsidizes volume (Higgs 1990; Markuson et al. 1991; Patillo 1998; Gansler 1980). The limited number of major suppliers and lack of traditional market competition invites companies to manipulate economic conditions to enhance revenue—a behavior that economists refer to as rent-seeking. Many scholars concluded that shared political and economic stakes in the sustained growth of the U.S. military economy thus shape national defense spending priorities while propagating inefficiencies at taxpayers' expense (for example, see Melman 1974; Adam 1982; Kotz 1988; Cavangh 1990; Higgs 2006).

Perhaps most prominently, C. Wright Mills' (1956) seminal study of *The Power Elite* argues that mutual interests shared among the military, corporate and political elite drive defense policies while increasing authority within unelected bureaucracies. James Kurth (1972) performed an economic analysis of weapons procurement and found that, during the early stages of the Cold War, contractors and DoD services aligned to maintain a reliable flow of contracts allocated to leading

defense firms. As a result, business-government relations created a follow-on imperative in military contracting that prevented production lines from closing down. More recently, Gholz & Sapolsky (1999-2000) have argued that the follow-on imperative more aptly describes the post-Cold War environment of the 1990s than the Cold War era that Kurth analyzed.

Researchers also utilize case studies in order to highlight political influences in defense contracting. Gordon Adams' (1982) important case study on military contracting documents the flow of personnel and money between defense firms, executive defense bureaus, military contractors and key members of Congress. Additional studies have shown that political interests shared among these actors helped prolong the procurement of disproportionately expensive weapons systems that presidents and Secretaries of Defense tried to terminate, such as the B-1 stealth bomber (Kotz 1988) and the SSN-Seawolf Submarine (Cavangh 1990). Most recently, Robert Higgs (2006) discusses various inefficiencies in U.S. defense contracting and highlights special interests poised to take advantage of the system.

However, statistical tests of the military-industrial complex thesis generally fail to comport with case study and anecdotal evidence of inefficiency and excess in weapons contracting. On one hand, previous work has demonstrated that the presence of local military bases do influence members' incentives to join defense committees and direct defense procurement policies (Adler & Lapinksi 1997; Goss 1972; Arnold 1979; Rohde & Shepsle 1973). On the other hand, though, political scientists utilizing statistical methods to examine congressional behavior across cases have found little corresponding evidence that constituency interests affect members' actual defense

spending decisions (Bernstein & Anthony 1974; Cobb 1976; Ray 1981a; Fleisher 1985; Lindsay 1991; Mayer 1991) or their ability to direct program benefits back to their constituencies (Goss 1972; Rundquist 1973, 1978; Mayer 1990, 1991). Rather, most quantitative studies of the politics of defense spending conclude that members of Congress prioritize weapons systems based on their ideological dispositions (Bernstein & Anthony 1974; Cobb 1976; Ray 1981a; Lindsay 1991; Mayer 1991) and military contracts are distributed strictly on the basis of national security goals (Goss 1972; Ray 1981b; Mayer 1991). This literature suggests that political considerations do not play a major role in the types of weapons that receive funding or the allocations of defense dollars.

Most recently, Barry Rundquist and Tom Carsey introduced new evidence that members of Congress that enjoy majority party status and defense committee membership draw greater defense benefits to their constituencies than other representatives (Carsey & Rundquist 1999; Rundquist & Carsey 2002). Rundquist & Carsey (2002) also introduce some constituency-based evidence that states with greater manufacturing capacity are more likely to benefit from representation on a defense committee. However, the work does not distinguish locations with a relatively homogenous defense sector presence from diverse manufacturing economies. Although the authors conclude that constituency "need" in states with lower gross domestic production levels has no affect on the allocation of defense benefits, the researchers do not consider a specific local need *for defense dollars*.

Previous work on congressional defense spending has not taken district reliance into account. Chapters 3 & 4 introduce and elaborate a theory of economic

reliance in congressional politics based on the relative concentration of the military industry across states and districts. This allows me to evaluate some members' motives for joining defense committees and supporting spending increases, and to systematically assess the willingness of the DoD and important defense contractors to direct dollars and projects to economically vulnerable districts of potential political value. This research advances understandings of both legislative behavior and defense policies in several ways.

First, the theory of economic reliance considers a district's overall economic context. Previous literature on defense contracting measures constituency demand based on the absolute number of military bases in a district (Adler & Lapinski 1997) and assesses economic need based on state-level GDP (Rundquist & Carsey 2002). In other words, Adler & Lapinski construe "demand" based on the presence of local military bases, but do not distinguish between a major base in rural Tennessee that employs a preponderance of local residents and a military installation on the outskirts of Chicago that encompasses only a small fraction of local economic activity. Rundquist and Carsey's (2002) measure for "need" taps into a state's economic output and its dependence on all kinds of government assistance—not specific demand for defense dollars. Unlike previous work, I conceptualize *excessive* demand *for defense dollars* based on the relative proportion of defense facilities to other industries. This theory of disproportionate economic reliance suggests that districts with less diverse economies, as a consequence, will become inordinately dependent on the defense expenditures that they receive, and members of Congress from these

districts will prioritize their defense interests more than members representing constituencies with more diverse, vibrant economies.

At the same time, existing analyses of congressional defense spending do not sufficiently capture a constituency's economic reliance on the defense programs at stake in a voting decision. These studies often assess constituency 'benefit' by focusing on a relatively blunt metric of economic gain, such as state-wide prime contract revenue (Lindsay 1991; Ray 1981a) or total subcontract revenue (Mayer 1991; Fleisher 1985). However, Ray (1981a, 444) goes on to explain the null relationship between prime contract revenue and members' hawkishness on foreign policy decisions by noting that the problem may lie with the general level of measurement: "Congressmen will still fight—and fight hard—for a defense project with direct implications for their districts, but may allow their 'world' view, as opposed to their 'constituency' view, to determine general national security measures." Similarly, while Richard Fleisher (1985) finds that the percentage of expenditures for the B-1 bomber flowing to a state relative to that state's population does not influence senators' support for the program, he explains the lack of relationship by pointing out that California received over 60% of B-1 dollars in the time period examined. The high concentration of benefits reduced the economic importance of the program in other states.

Second, my research assesses local reliance on defense funds based on the locations of commercial defense facilities. Previous studies consider the number of local military bases (Adler & Lapinksi 1997) and naval yards (Mayer 1991), largely because most employment data related to defense contracting are classified. However,

as stated previously, the private defense sector generates billions of dollars in revenue, employs millions of Americans, and offers a more comprehensive picture of nation-wide defense employment than the presence of military bases. Although these data are not publicly available, tracking the locations of major commercial defense industries nationwide affords a reasonable measure of local demand for defense revenue.

Third, the analysis is also the first study to systematically track prime contracts to the subcontracting level, where the preponderance of defense funds eventually go. While Kenneth Mayer (1991) utilizes specified subcontracting data to assess the overall dispersion of program benefits, my data afford a more refined analysis of the distribution of subcontracts in more economically vulnerable districts. It is well known that prime contracts typically flow to wealthy, urban areas (Markuson et al. 1991; Mayer 1991). Prime contractors, however, enjoy wide discretion in distributing assignments and selecting suppliers for parts or technical services for weapons programs (Mayer 1990, 1991). While prime contract distributions are not as susceptible to political manipulation (Lindsay 1990; Mayer 1991), subcontracting affords more opportunity for political factors to enter into the calculus.

Chapters 3 and 4 support the theory that local reliance on defense jobs is a key driver of military spending preferences in Congress, and these congressional preferences go on to influence the allocation of defense subcontracts. Consequently, efforts to concentrate the defense sector in certain geographic zones exacerbate

economic vulnerabilities in these regions and encourage members of Congress to support military expenditures that are critical to local revenue and employment.

The results suggest a symbiotic relationship among key players, where spreading substantial defense benefits across multiple districts increases political demand for weapons systems among Congress members and sustains rural economies that are reliant on the defense industry. Defense subcontracting helps meet districts' economic needs for employment and local economic development, which in turn generates greater political demand for weapons systems. These overlapping interests encourage defense expenditures in excess of strategic requirements.

Lash Odysseus To the Mast, But He's Always Got One Hand Free

While chapters 2-4 demonstrate that key members of Congress gain politically from their defense spending decisions, Chapter 5 argues that the ongoing availability of military resources strengthens executive authority at the expense of Congress. Specifically, legislative policies that perpetuate weapons expenditures (and hence, expand military capabilities) allow executives more flexibility to pursue their national security agenda as they see fit. An ongoing weapons arsenal obviates the traditional need for presidents or executive officials to obtain funding, weapons and armies from Congress prior to military engagements. This arrangement weakens Congress' ability to provide an effective check on the president's military actions,

As background to this theory of institutional incentives, it is necessary to briefly discuss the structure of U.S. political institutions. I do so to point out that institutional structures enable, facilitate and encourage—but do not independently

determine—certain political behaviors. Specifically, institutional structures encourage presidents to act *imperialistically*--that is, to promote the authority of their own institution and increase their capacity for leadership (Moe & Wilson 1994; Moe 1999; Whittington & Carpenter 2003; Howell 2005).[6]

Historical analysis suggests that external factors—including Congress, public opinion, and resource limitations—effectively constrained presidential authority to a greater extent before World War II than within the current political atmosphere. Although presidents have historically pushed the bounds of their authority in military and foreign affairs, James Madison's explicit deference to the legislature in the War of 1812 is a far cry from Harry Truman's first major unapproved war in 1950. Institutional structures alone cannot account for these discrepancies—at least not beyond the circular claim that some presidents used their powers more aggressively than others. Thus, while the hierarchical structure of the executive branch facilitates presidential willingness to initiate foreign policy, I argue that the administration's *capacity* to do so ultimately depends on available resources and institutional authority.

By contrast, Congress' more democratic structure encourages individual members to prioritize their own political *self-preservation*–that is, to gain electoral favor with fellow partisans and local constituents—rather than behave *imperialistically* (to promote the power of their own institution) (see Mayhew 1974; Arnold 1990; Olson 1971). Congress' presumed institutional weakness is partly a

[6] Following Moe & Wilson (1994), this characterization of presidential power refers to the institutional authority of the president and his or her relation to the office—not to the types of foreign policies that a president might pursue.

product of its institutional structure: Individual members' preoccupations with maintaining broad appeal to voters, the institutional demand for compromise among hundreds of competing member interests and the need to push legislation through both an upper and lower chamber tend to weaken members' ability to check executive authority (see Olson 1971; Koh 1988; Silverstein 1997). Further, the military bureaucracy answers directly to the president and reinforces informational disparities between the administration and Congress on key intelligence issues (Smist 1994). These institutional features are exacerbated by members' eagerness to perpetuate the slate of resources at the president's disposal. As a result, Congress flexes its foreign policy muscles only intermittently, to challenge a president of the opposite party or when a war becomes unpopular (see Arnold 1990; Levinson & Pildes 2006; Howell & Pevehouse 2007).

Recent scholarship suggests that congressional majorities facing a president of the opposing party are more likely to heighten the political costs of the president's military actions (Howell & Pevehouse 2007). However, broader patterns of Congress' ongoing military build-up and delegation of power to executive agencies also work to counteract members' willingness and ability to prevent these action altogether. Therefore, while the congressional opposition may seek to create negative publicity in response to a military operation already in progress, Congress rarely takes steps to prevent an administration from carrying out its military endeavors in the first place.

From a separation-of-powers standpoint, these institutional structures weaken the regime of checks and balances to the extent that legislators' *self-preservationist* incentives work in concert with the president's *imperialistic* goals. Since World War

II, members of Congress have vested interests in procuring resources necessary for policies that they find it difficult to take responsibility for determining collectively. Instead, members of Congress are likely to work alongside executive allies, with whom they can vest resources and authority. Institutional ambitions in Congress thus *augment* those of the executive—a far cry from the framers' reliance on "ambition…made to counteract ambition" (*Federalist 51*).

An ongoing weapons arsenal creates overlapping institutional incentives to perpetuate weapons procurements and concentrate authority over national security policy within the executive branch. Like Odysseus' futile attempt to hear the sirens and resist their song, intermittent congressional attempts to curtail executive authority fall short because key members have a political stake in extending weapons expenditures that the executive branch is structured to control.

Chapter 5 shows that, since World War II, Congress has provided hundreds of billions of dollars in annual expenditures to build up a permanent weapons arsenal. These resources provide a base level of funding that presidents can draw upon to initiate military engagements. At the same time, presidents have structured the national security establishment in order to initiate military policy with as few restrictions as possible. To do so, presidents devise mechanisms with which to utilize force covertly, structure executive organizations to carry out their foreign policy decisions, and pursue strategies that both exacerbate informational asymmetries and reduce effective congressional oversight (Howell 2005).

Evidence suggests that the practical need to consult Congress and obtain a declaration of war in order to initiate engagements has been obsolete since World

War II, in large part because congressional budgetary authorizations continue to provide ongoing military resources. At the same time, presidents structure the national security and intelligence community in order to insulate and control the available military technology that Congress appropriates. While executive motivations and strategic motivations to utilize force are beyond the scope of this project, the president's ability to make these decisions independently is greatly enhanced by Congress' willingness to procure ongoing defense resources.

Members of Congress may prioritize expenditures that weaken their institutional war powers for several reasons. This project provides evidence that key members representing the most economically reliant constituencies seek to perpetuate weapons expenditures in order to enhance their own electoral self-preservation. These members have incentives to support various types of weapons programs regardless of the geopolitical climate and in spite of their partisanship. Of course, there are other factors that spur support for weapons spending. All members of Congress have political incentives to support national defense spending during periods of perceived crisis or heightened threat. Further, as I discuss in Chapter 3, party leadership may also seize opportunities to adopt a hawkish foreign policy stance in efforts to improve their party's brand name.

Evidence suggests that structurally and institutionally entrenched goals—employment, revenue, and job security—shared among key congressional actors, DoD personnel, and the defense industry perpetuate high priority growth in the U.S. military economy. Consequently, the modern U.S. military establishment promotes increased executive independence, while weakening Congress' influence over

military policy. Further, the extension of defense benefits to increasing regions and localities—including more economically reliant areas—has coincided with a series of policies that have systematically reduced the public costs of war, in terms of loss of U.S. lives, military service requirements and taxation. This makes it easier for administrations to utilize force abroad. Although the U.S. political system was designed to establish institutional and popular checks on centralized power, political power concentrates when institutional interests align.

Chapter 1: Eighteenth Century War Powers

"The system will not hurry us into war; it is calculated to guard against it. It will not be in the power of a single man, or a single body of men, to involve us in such distress; for the important power of declaring war is vested in the legislature at large; and this declaration must be made with the concurrence of the House of Representatives: from this circumstance we may draw a certain conclusion that nothing but our national interest can draw us into a war."

-James Wilson, Pennsylvania Ratifying Convention, December 11, 1787[7]

In 1789, when Britain sought an alliance with the United States against Spain following Spanish seizure of the port at Nootka Sound (an inlet off of Vancouver Islands), President Washington adopted a policy of neutrality without consulting Congress. The administration was intent on keeping the nation at peace and favored using neutrality as leverage to protect Louisiana and Florida from British conquest, obtain a favorable treaty of commerce with Britain, and acquire rights from Spain to use the Mississippi River. Leading members of Washington's cabinet—Alexander Hamilton, Henry Knox, John Jay, and John Adams—unanimously agreed that

[7] Cited in Kurlund & Lerner eds. *Founders* (1987)

neutrality required that Britain be denied a right of passage through U.S. territory to advance against Spain. If Britain should enter the U.S. without permission, Washington's cabinet strongly encouraged him "…to immediately convene the Legislature; to make the most vigorous measures for war; to make a formal demand of satisfaction; to commence negotiations for alliances; and if satisfaction should be refused, to endeavor to punish the aggressor by the sword" (Hamilton, quoted in Sofaer 1976, 103). Britain did not ask permission or advance troops. Accordingly, Washington's administration unilaterally determined a policy of neutrality. At the same time, however, leading cabinet members urged congressional involvement prior to potential military mobilization—in part because the executive required congressional support to raise troops and purchase weaponry.

Washington's commitment to neutrality in European conflicts—including his 1793 Proclamation of Neutrality following a controversial interpretation of the U.S-France Treaty of Alliance—reflects a presidential prerogative in foreign affairs that has persisted throughout U.S. history. Yet, despite Washington's inclination to steer the nation clear of European entanglement without consulting Congress, he and other early U.S presidents consistently solicited congressional authorization prior to U.S. military engagements (Corwin 1951; Sofaer 1976; Fisher 2004).

This chapter seeks to explain early presidential deference to congressional war powers in light of a consistent presidential willingness to determine the course of foreign affairs independently. I argue that U.S. presidents have systematically pushed the outer bounds of their institutional authority in both military and foreign affairs. Like Washington's unilateral diplomacy, presidents also have incentives to direct the

nation's military affairs with as few limitations as possible. Prior to World War II, however, executive unilateralism in military engagements was generally constrained by congressional control over military resources. Congressional authority over the type of armed forces at executive disposal, the extent of federal revenue available for military mobilization, lack of a functional procurement system, and absence of a permanent weapons arsenal all limited the executive's ability to initiate military actions without congressional cooperation.

As this chapter will demonstrate, the framers of the Constitution created an executive poised to take initiative in military and foreign affairs, but expected that this power could only be exercised in consultation with Congress. As leading Federalists argued in support of ratification, the public costs of war within the nascent republic, legislative control over resources, and structure of congressional representation also imposed political constraints on military appropriations. The Federalists anticipated electoral costs of maintaining standing armies and perpetuating weapons acquisitions: military service requirements, higher taxes, and reliance on foreign investments. These burdens help explain the absence of a large peacetime armies or permanent weapons arsenal until the Second World War. Indeed, prior to World War II, the onerous public costs of war, limited technological advancement (and hence, absence of imminent threat to the relatively isolated republic), and "balanced" society of economically independent property-holders facilitated a policy of congressional demobilization following major military engagements.[8] Accordingly, executive initiative in military affairs was constrained in

[8] See Mills (1956), for a more complete analysis of the economic and political conditions that allow for a balance of power in government.

size, scope and latitude, in large part because presidents systematically relied on the legislature to mobilize forces and raise funds to go to war.

In Part I of the analysis, I argue that leading Federalists sought to structure political institutions to empower the national government and enable it to effectively repel external enemies, while at the same time guarding against unnecessary military excursions. Federalists and Anti-Federalists statements convey a general understanding that needless wars would drain national revenue and provoke public resentment. While the two factions disagreed as to whether a strong federal government would prove to be an oppressive force in the lives of citizens, neither side anticipated a context in which permanent military appropriations would be construed as profitable amongst key constituencies, or where members of Congress would find electoral incentives to appropriate military expenditures indefinitely.[9]

Part II explores congressional control over military policy during several key periods of American political development. Following Washington's command of eighteenth century foreign policy, U.S. presidents systematically pushed the bounds of their military authority. However, evidence suggests that resource limitations substantially minimized earlier presidents' willingness and ability to act independently. Indeed, lacking a unified military, professional army and functional procurement system, early nineteenth century U.S. presidents systematically requested legislative authorization prior to military deployments and sought ongoing congressional cooperation to supply military resources (see Sofaer 1976, 269;

[9] In chapters 2-5, I argue that such a scenario occurred during and after World War II. The rise of a permanent military industry created local dependencies on a military economy and structured congressional incentives to perpetuate military expenditures regardless of real or perceived national security requirements.

Hormats 2007, 53). As Congress began to authorize greater numbers of military personnel, devise more expansible armies, and establish a standardized procurement system, mid-nineteenth century presidents began to capitalize on an ability to move existing troops without congressional authorization and seek legislative approval only after military hostilities appeared inevitable. At the turn of the century, presidents gained leverage from modern naval resources authorized during industrialization, in addition to existing weapons arsenals equipped with supplies left over from previous wars. These resources allowed early twentieth century presidents to circumvent congressional approval in various regional conflicts.

Structuring Institutional War Powers

Lessons from the 18th Century Continental Army

The First Continental Congress was formed in 1774, when representatives of several colonies met to discuss mutual grievances under King George III. The Congress assumed the responsibility to initiate foreign affairs and conduct the Revolutionary War, although the states retained all of their legislative powers.

George Washington's Revolutionary War experience provoked pronounced dissatisfaction with the lack of power in the Continental Congress and its inability to raise funds. As early as 1870, after Charleston fell to the British, Washington complained in a private letter to a member of Congress about the present state of finances and lack of power in Congress "competent to the great purposes of war" (Letters of May 14 and May 31, 1780, Fitzpatrick ed., Vol. 18). With the adoption of Articles of Confederation one year later, Congress gained the exclusive authority to

declare war and conduct foreign affairs, but still lacked means to raise armies. Congress had to impose requisitions on the states in order to raise funds, although it had no authority to compel compliance among recalcitrant state legislatures (Articles VI-IX). The arrangements continued under the Articles continued much as it had under the Continental Congress (see Sofaer 1976, 23; Wood 2003, 71).

Indeed, on March 4, 1783, six months prior to the signing of the Treaty of Paris and the culmination of the War, General Washington expressed forebodings to Alexander Hamilton of "the sufferings of a complaining army on one hand, and the inability of Congress and tardiness of States on the other." He implored Hamilton that "unless Congress have powers competent to all *general purposes*, that the distress we have encountered, the expense we have incurred, and the blood we have spilt in the course of an Eight years war, will avail us nothing" (Letter to Alexander Hamilton, Newburgh, 3/4/1783; Vol. 26, in Fitzpatrick 1931-44 ed.). On June 8, 1783, he submitted a public letter to the States lamenting the inefficiencies and resource shortages that hindered the war effort.[10] He found irredeemable fault with the Articles, which lacked centralized control over the military and produced collective action problems among States, creating a danger to military supply levels and troop morale:

> …The inefficiency of measures, arising from the want of an adequate authority in the Supreme Power, from a partial compliance with the Requisitions of Congress in some of the States, and from a failure of punctuality in others, while it tended to damp the zeal of those which were more willing to exert themselves; served also to accumulate the expences of the War, and to frustrate the best concerted Plans… The

[10] "…In less time and with much less expence than has been incurred, the War might have been brought to the same happy conclusion, if the resources of the Continent could have been properly drawn forth…" (Circular to the States, Headquarters, Newburgh, 6/8/1783; Vol. 26, Fitzpatrick ed.)

> discouragement occasioned by the complicated difficulties and embarrassments…would have long ago produced the dissolution of any Army, less patient, less virtuous and less persevering, than that which I have had the honor to command (Circular, id).

In addition to impediments to the war effort, states experienced difficulties maintaining order after the war had ended. State authorities were unable or unwilling to quell public uprisings and Congress lacked the authority to do so.[11] States' refusal to comply with requisitions frustrated Congress' efforts to pay down the national debt and made additional borrowing impossible. Further, state legislatures tended to exacerbate the nation's economic problems by continuing to issue additional paper money. Poor economic conditions contributed to a growing demand for political reform (Sofaer 1976, 24; Wood 1998, 409-413).[12] Alexander Hamilton (*Federalist 15,* in Rossiter ed. 2003) later bemoaned that, under the Articles, "We have neither troops, nor treasury, nor government."[13]

While the Revolutionary War experience provoked a felt need for more effective governance in matters of war, the colonial experience under King George III also bred a pervasive anti-monarchical, anti-army sentiment (Edling 2003, 81). Accordingly, most framers present during constitutional ratification shared nuanced concerns for effective governance and individual liberty, or centralized control over

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[11] In June 1783, for example, unpaid soldiers marched to Philadelphia and protested before Independence Hall. Lacking authority to interfere, Congress was forced to temporarily relocate. When confronted with Shay's Rebellion in 1787, Congress faced requests for assistance to contain the armed uprising, but again lacked the institutional authority to do so.

[12] Just prior to the Constitutional Convention, James Madison summed up these concerns in "Vices of the Political System of the United States," pointing to the Confederacy's inability to control internal violence and its unchecked control of state legislatures, which proved destructive to creditors: "Paper money, installments of debt, occlusion of Courts, making property a legal tender…affect the Creditor State, in the same manner they do its own citizens who are relatively creditors toward other citizens" (in Hunt ed.1900).

[13] All Federalist essays are drawn from Rossiter ed. (2003) unless otherwise noted.

the military and freedom from large standing armies. The more extreme positions, however, are commonly associated with leading Federalists and Anti-Federalists. Although these two factions sharply diverged over how best to structure government to obtain these ends, records of the debates over constitutional ratification suggest that the document's defenders and opponents each sought to guard against excessive military initiatives, which were commonly associated with loss of revenue and burdensome public costs. The consistent application of the same themes—the internal costs of military mobilization and fear of standing armies—reflects not only the nation's rejection of monarchy, but also its deficient procurement infrastructure, lack of significant naval force, isolated position, and domestic aspirations that characterized the eighteenth century republic.

Constitutional Ratification

The ratification debates over how best to empower government to provide for national defense and prevent the concentration of political power ultimately led the constitutional framers to devise separate institutions to declare war and conduct it. In accordance with Washington's plea for effective legislative control over resources and adequate authority in a "Supreme Power," the constitutional framers arranged political institutions to 1) transfer power to provide for the general defense from the states to Congress 2) empower a singular executive as commander-in-chief of the armed forces.

Echoing George Washington's most pressing concerns, leading Federalists found a "manifest inconsistency" in the Articles of Confederation that vested "the

Federal Government [with] the care of the general defense" but left "in the State governments the *effective* powers by which it is to be provided" (*Federalist 23* in Rossiter ed. 2003). To correct these deficiencies, the framers vested unlimited power to raise a peacetime army and vote for appropriations needed to support it in Congress.[14] Federalist writings express the view that Congress was responsible to prepare for the nation's defense and therefore had to be supplied with requisite means to secure that end.[15] Familiar with the military experience during the Revolutionary War under the Continental Congress, Alexander Hamilton argued that imposing limitations on appropriations creates "constitutional shackles" that incapacitate the nation's ability to prepare for its own defense (*Federalist 23-25*).[16] Advocating on behalf of ratification, James Madison advanced a similar defense of Congress' power to raise troops indefinitely: one cannot predict in advance the nature and scope of a future attack, and to attempt to do so invites foreign usurpation.[17] He further suggested that such proscriptions on government power are not only dangerous but

[14] U.S. Constitution, Article I, Section 8, Cl. 11-16 (delegating power to declare war; raise and support armies; provide and maintain a navy; regulate land and naval forces; call forth the militia; and provide for organizing, arming, and disciplining the militia). Congress' power to appropriate funds are also delegated in Article I, Section 8, Cl. 1, 2, and 5 (empowering Congress to lay and collect taxes, duties, imposts, and excises; borrow money on the credit of the United States; and to coin money and regulated its value).

[15] "…there can be no limitation of that authority which is to provide for the defense and protection of the community, in any matter essential to its efficacy that is, in any matter essential to the *formation, direction*, or *support* of the *national forces"* (*Federalist 23,* in Rossiter ed. 2003 emphasis in original).

[16] Though Hamilton expressed doubts as to whether large peacetime armies would be necessary, his line of argument maintained that Congress should retain the authority to appropriate whatever force is necessary to prevent internal uprisings or foreign invasions (*Federalist 24;* also see Madison, *Federalist 37,* in Rossiter ed. 2003*).*

[17] "How could a readiness for war in time of peace be safely prohibited, unless we could prohibit, in like manner, the preparations and establishments of every hostile nation? The means of security can only be regulated by the means and the danger of attack" (*Federalist 41* in Rossiter ed. 2003*).*

also futile, as "it is in vain to oppose constitutional barriers to the impulse of self-preservation" (*Federalist 41*).

Anti-Federalist opposition centered on this transfer of military power from the states to the federal government. The opponents of the proposed constitution feared that unlimited, centralized authority to raise military forces would invite internal, domestic costs that were "improvident" and "dangerous" to republican liberty (Brutus, Essay VIII-X; Centinel, Letter I; Agrippa, Essay V; Impartial Examiner, Essay I).[18] Throughout ancient and modern history, "almost all" European and Asian nations had lost their liberty because of the establishment of a standing army.[19] By this line of argument, it was hardly prudent to emulate them.[20]

It is important to note that Anti-Federalist opposition to standing armies emphasized the power of the central government to overpower its own citizens; the potential for excessive use of force against other nations was either unforeseen or regarded as unimportant. Opponents of the Constitution's army clauses expressed fears that the new government would impose unwarranted burdens on citizenry, creating an untenable fissure between governing and governed that would eventually

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[18] The Anti-Federalist essays are drawn from Storing *Anti-Federalist* (1985) unless otherwise noted.

[19] "…the far greater part of the different nations, who have fallen from the glorious state of liberty, owe their ruin to standing armies" (The Impartial Examiner; 20 February 1788, in Storing *Anti-Federalist*). In Essay VIII, Brutus quoted an argument from *Cobbett's Parliamentary History of England* delivered in the House of Commons in favor or reducing Great Britain's army: "…The nations around us, sir, are already enslaved, and have been enslaved…by their standing armies they have lost their liberties; it is indeed impossible that the liberties of the people in any country can be preserved where a numerous standing army is kept up" (in Storing ed. 1985).

[20] "Are we so much better than the people of other ages and other countries, that the same allurements of power and greatness, which led them aside from their duty, will have no influence upon men in our country? Such an idea, is wild and extravagant. Had we indulged such a delusion, enough has appeared in a little time past, to convince the most credulous, that the passion for pomp, power and greatness, works as powerfully in the hearts of many of our better sort, as it ever did in any country under heaven" (Brutus 1788, Essay X, in Storing ed. 1985).

degenerate to military despotism. Standing armies required recruitment of citizen-soldiers that not only interfered with citizens' private pursuits, but was also "expensive" and "inconvenient"—a considerable burden on tax payers, a drain on public revenue, and a gross interference with commercial and political aspects of republican life (The Impartial Examiner, 20 February 1788, in Storing ed. 1985).[21] Cognizant of the need for small peacetime garrisons to repel potential attacks coming from Spain, Britain, or the Native Americans, one prominent Anti-Federalist denounced an "unqualified" and "indefinite" power to raise and maintain peacetime armies. The argument pointed to a danger "to be apprehended from their overturning the constitutional powers of the government and assuming power to dictate in any form they please" (Brutus 1788, Essay X, in Storing ed. 1985).[22] If Congress established a large peacetime army and used its power over the militia to disarm the people, then the central government would effectively hold a national monopoly on force and the means to make itself independent of the people.[23]

The Constitution's leading proponents emphasized the document's institutional safeguards against tyranny. Railing against Anti-Federalist reliance on parchment barriers—written proscriptions on government power—Hamilton (1787) famously advanced a structural argument that institutional mechanisms would

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[21] "The soldiery, who are generally composed of the dregs of the people, when disbanded, or unfit for military service…become extremely burthensome."

[22] Anti-Federalists commonly expressed concerns that, like Julius Caesar's Roman army, unlimited legislative discretion over military appropriations would lead Congress to dismantle state militias and create a large standing army "to deprive [the] citizens of freedom and reduce them to slavery" (Martin Luther, in Ferrand *Records* (1911), Vol. 3. Chapter: *CLVIII: Luther Martin: Genuine Information).*

[23] Patrick Henry summarized this view during the Virginia convention: "Have we the means of resisting disciplined armies, when our only defence, the militia, is put in the hands of Congress?" Speech at the Virginia Ratifying Convention, June 5, 1788, in Storing ed. 1985.

provide *inherent* safeguards against the potential abuse of political power. "If…it shall be resolved to extend [a] prohibition to the *raising* of armies in times of peace," he warned, then "we must expose our property and liberty to the mercy of foreign invaders…because we are afraid that rulers, *created by our choice*, *dependent on our will*, might endanger that liberty by an abuse of the means necessary to its preservation" (*Federalist 25* emphasis added). In this view, an electoral check on Congress not only obviates written restraints on the legislative power to defend the nation, but also renders such limitations unreasonable and dangerous to the common defense. Rather, legislative dependence on the people would effectively prevent members of Congress from demanding excessive sacrifices of their constituencies or threatening their liberties.

The Constitution's defenders maintained that, while "dependence on the people is…the primary control on the government," the Constitution also provides important "auxiliary precautions." To guard against the concentration of overwhelming or tyrannical power in one place, the Constitutions separates and divides powers in different branches, supplying each with the "necessary means and personal motives to resist encroachment of the others" (*Federalist 51*). "Ambition [is]…made to counteract ambition," as each branch jealously guards its own constitutional responsibilities against infringement. By this line of argument, the division of war powers between the president and Congress creates an additional check on Congress' willingness to maintain standing armies in peacetime: the legislature will presumably seek to guard its own constitutional prerogative rather than vesting permanent funds in the executive department. To allay his opponents'

fears of an "elective monarchy," Hamilton pointed out that the Constitution's 2-year limit on military appropriations expressly prevents Congress from granting the executive a permanent supply of military funds. For himself and other Federalists, however, this was perhaps a superfluous guarantee, given that he could not foresee any reasonable legislative incentive for doing so.[24]

Consistent with Washington's desire for a "supreme power" and Hamilton's preference to infuse energy in the executive (*Federalist 70),* the framers empowered a singular executive as commander-in-chief of armed forces.[25] Although many Anti-Federalists resisted granting the executive the full slate of powers vested in Congress by the Confederation, one leading scholar has highlighted the "extraordinary" inattention paid to the commander-in-chief provision.[26] Not surprisingly, Hamilton (*Federalist 74*) found the propriety of the provision, "so evident in itself and…so consonant with the practice of state constitutions...that little need be said to explain or enforce it…The direction of war most peculiarly demands those qualities which distinguish the exercise of power by a single hand." James Iredell expanded on this point at the North Carolina convention. Consistent with the precedent already established in state constitutions that had vested military authority in governors, and the corresponding need for "secrecy, dispatch, and decision" in military operations, "the command of armies ought to be delegated to one person only."

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[24] "The legislature] are not *at liberty* to vest in the executive department permanent funds for the support of an army if they were even incautious enough to be willing to repose in it so improper a confidence" (*Federalist 26,* in Rossiter ed. 2003).

[25] "The President shall be Commander in Chief of the Army and Navy of the United States, and of the Militia of the several States, when called into the actual Service of the United States" (U.S. Constitution, Article II, Section II, Clause 1).

[26] "…The commander-in-chief power received extraordinarily short treatment…considering its subsequent importance" (Sofaer 1976, 26-27, 48).

Responding to misgivings that "the Executive powers of Congress might extend to peace and war…which would render the Executive [an elective] Monarchy" (Pickney, in Ferrand *Records* (1911) Vol. 3: 62-66), Iredell, Wilson, and Hamilton all emphasized institutional safeguards preventing the concentration of military power. For example, Iredell found the president's power "sufficiently guarded" against gradual accretion or abuse given legislative control over military resources: "A very material difference may be observed between [the President's] power, and the authority of the king of Great Britain under similar circumstances. The king of Great Britain is not only the commander-in-chief of the land and naval forces, but has power, in time of war, to raise fleets and armies. He also has the authority to declare war."[27]

Others pointed out that Congress would at times be compelled to raise armies which "then the President is to command without any control" (Mason, in Elliot *Debates* (1836) Vol. 3: 496-98). While Federalists had no explicit answer to alleviate those fears (Sofaer 1976, 52), the response was largely implicit in the Federalists' line of argument. First, the debates that took place during constitutional ratification reveal a common understanding that Congress could prevent any abuse of authority in the President. Second, and related, Federalist assessments reflect eighteenth century socioeconomic conditions, in which Congress lacked both the "pretense" and the electoral incentives to perpetuate military resources in peacetime.

Under the colonial government, state legislatures had successfully used their power over funds to check governors—appointed agents of the British king—in

[27] Elliot *Debates* (1836) Vol. 4: 107-108; also see Ferrand *Records,* Vol. 3: 62-66; *Federalist 69*, in Rossiter ed. 2003.

military affairs.[28] Accordingly, many of the arguments put forth during the constitutional convention express an understanding that Congress' power over revenue would be used to control military policy. Indeed, James Wilson and Edmund Randolph's pointed debate over whether the House of Representatives should possess sole control over appropriations hinged on a shared premise that control over revenue could be employed to direct military affairs.[29] Similarly, objections to the proposal to grant two-thirds of the Senate the power to override the president's diplomatic treaties suggest that Congress could control the conduct of war through the exercise of its other powers. Nathaniel Gorham considered "the precaution unnecessary, as the means of carrying on the war would not be in the hands of the President, but of the Legislature," while Gouverneur Morris found "the power of the president in this case harmless." Accordingly, Abraham Sofaer (1976, 35) concludes that this debate "reflects a recognition that the President could not realistically pursue a war (or any other diplomatic policy requiring "means") that even one branch of Congress was resolved against."

While debates over ratification reveal general awareness that Congress would use its power of the purse to influence military affairs, records also suggest that proponents of keeping the nation at peace and repressing war found solace in the

[28] "[Colonial legislatures] used their power over funds to control the conduct of military affairs, sometimes even dictating the disposition of troops. They investigated the military, and sought to discipline individual officers. They appointed committees to participate with the executive in planning and supervising military operations" (Sofaer 1976, 16-17).

[29] Wilson opposed granting the House sole authority to initiate revenue measures, using arguments that reflect his understanding of the importance of the spending power: "War, Commerce, & Revenue were the great objects of the Genl. Government. All of them are connected with money. The restriction in favor of the H. of Represts would exclude the Senate from originating any important bills whatever." Edmund Randolph's response—that the means of war ought to remain with the less corruptible House—demonstrates similar awareness that appropriations would be drawn upon to influence military policy (Ferrand ed, *Records*, (1911) Vol. 2: 275, 279).

parochial legislature. George Mason, an avid proponent for "clogging war" and "facilitating peace", was "against giving the power of war to the executive, because [he was] not (safely) to be trusted with it; or to the Senate, because [they were] not so constructed as to be entitled to it" (Ferrand ed. *Records* (1911) Vol. 2: 318-319). Hamilton (*Federalist 26*) turned his audience's prejudice for legislative supremacy on its head by undermining the premise that the parochial legislature would unnecessarily aggregate military resources: "But the question again recurs, upon what pretense could [the president] be put in possession of a force [large enough to awe the people into submission] in time of peace?" Hamilton's rejoinder implies that legislators would have to convince their constituencies of either interest or necessity in order to perpetuate military resources in peacetime—a "pretense" which was not clearly discernible in the burgeoning eighteenth century republic.[30]

Congressional control over military resources reflects a structural view of liberty commonly held among Federalists: The representative structure of Congress, and the vast public costs of military mobilization, would prevent members from raising peacetime standing armies. Arguments made in support of ratification replayed the themes of legislative control over resources and dependence on the people, which would presumably prevent the executive usurpation that Anti-

[30] Madison also employed the logic of legislative dependence on the people to win support for unlimited legislative authority over military resources: "Now, if in Great Britain, where the House of Commons is elected for seven years; where so great a proportion of the members are elected by so small a proportion of the people; where the electors are so corrupted by the representatives, and the representatives so corrupted by the Crown, the representative body can possess a power to make appropriations to the army for an indefinite term…without daring, to extend the term beyond a single year, ought not suspicion herself to blush, in pretending that the representatives of the United States, elected *freely* by the *whole body* of the people, every *second year*, cannot be safely intrusted with the discretion over such appropriations, expressly limited to the short period of *two years*?" (*Federalist 41,* in Rossiter ed. 2003*)*.

Federalists feared. Indeed, in order for the executive to utilize military force or employ coercion, the legislature must raise troops and appropriate resources—an institutional design that hinges on citizens' limited readiness to sacrifice their resources to promote the public good (Edling 2003, 114).

While the extent of the president's discretionary power to command or move *existing* troops is debatable, it is clear that Congress was expected to supply troops necessary for battle. Given the socioeconomic costs of doing so in a period of relative security from imminent attack, Federalists commonly advanced arguments suggesting that the institutional design would limit executive discretion over military matters and reduce the likelihood of war. By contrast, Anti-Federalist opposition to the Constitution's army clauses reflect a historical understanding that an electoral check on legislatures is insufficient if Congress exploits its unlimited authority and acquires a monopoly on force, which the executive could then control with impunity. The arguments suggest that Anti-Federalists feared an indefinite military build-up because they presumed that it would inflict intolerable costs on the populace and facilitate the demise of the republic.

Federalists and Anti-Federalists disagreed on the seriousness of international threats that the nation faced, the potential need for standing armies to repel foreign threats, and the future of liberty under a consolidated national government. However, each side associated large-scale military mobilization and permanent standing armies with the imposition of internal, domestic costs. At minimum, both sides understood that taxation, military service, and loss of federal revenue interfere with citizens' private occupations, exhaust federal resources, incur public resentment, and ought to

be avoided in peacetime to the greatest extent that liberty and security will allow. Neither line of argument anticipated socioeconomic and geopolitical developments that would facilitate an expansive military industry, minimize the public costs of war and inadvertently strengthen executive war powers at the expense of Congress.

Resource Constraints & Shared War Powers

Prior to World War II, Congresses systematically demobilized forces following major military engagements. Accordingly, as many prominent Federalists had anticipated, independent executive military actions were constrained in size and scope—in large part because of the need to consult Congress to mobilize troops and provide resources. At the same time, however, more expansible armies, new markets for domestic weapons procurements, naval forces that transported wars to foreign territories, and the borrowing and printing of money shaped representatives' inclination to grow military resources at the president's disposal. While the most complete externalization of the public costs of war occurred after World War II, with the advent of a permanent weapons arsenal and peacetime standing armies, intermittent trends toward this end are clearly observable during the course of the 19th and early 20th centuries. Accordingly, presidents' decision to engage troops unilaterally increased in duration and frequency as political institutions developed mechanisms that reduced the costs of military procurement among key constituencies.

1798 – 1816: Limited Resources, Congressional Advantage

Although many Federalists saw the nation's military weakness as one of the major defects of the confederation, the Federalist Congress never created a large standing army. In fact, military historians typically characterize the period of early Federalist control (from 1798 to 1801) by the absence of a peacetime establishment, continual reliance on state militias, and deficient military procurement infrastructure (Kohn 1975; Mahon 1972; Sofaer 1976; Edling 2003). A peacetime establishment of approximately 3,000-3,400 personnel became the norm during John Adams' term—an exceptionally small army by comparative standards (Mahon 1972, 13; Edling, 138, 2003). While the earliest U.S. presidents—Washington, Adams, Jefferson, and Madison—sought to direct the course of foreign affairs with as few restrictions as possible, these leaders lacked the resources to direct major military engagements without congressional cooperation. This political environment placed greater emphasis on diplomacy and required congressional support in order to raise requisite funds to support military engagements.

Adams never assumed the presidential power to initiate war unilaterally.[31] Rather, when war with France appeared likely, Adams called Congress into special session and urged that it provide a navy, harbor defenses, and authorize the president to raise emergency forces (Stofft 1989, 115). Congress responded by authorizing a series of statutes granting supplemental funding for a naval armament[32] and for the

[31] See Fisher (2004, 17-20) for a more complete analysis of this point.

[32] 1 Stat. 547, 552, 556, 569 (1798). All statutory references are drawn from Library of Congress, Statutes-At-Large, 1789-1875, Volumes 1-18; http://memory.loc.gov/ammem/amlaw/lwsllink.html

defense of ports and harbors;[33] authorizing the president to raise a provisional army[34] and to provide cannons, arms and ammunition;[35] suspending commerce with France;[36] and authorizing the president to seize certain French armed vessels[37] and seize U.S. ships sailing to French ports.[38] Pledging to pursue peaceful, diplomatic means, the president generally used the forces provided to him defensively and successfully avoided direct war with France.

At the same time, however, Adams also demonstrated an inclination to direct military affairs without explicit congressional approval once Congress had procured sufficient resources to do so. In one of the most notorious cases of presidential contravention of a congressional act in the early republic, Adams issued an order to "intercept any suspected American ship sailing to or from a French port"—either disregarding or deliberately stretching statutory language authorizing seizure of U.S. vessels sailing *to* French ports as part of a general prohibition on commercial relations with France (id). Following these orders, U.S. Captain George Little seized a Danish ship sailing from a French port. He was later accused of treason and sued for damages for violating explicit statutory authorization. Writing for the Supreme Court, Chief Justice Marshall held that the captain was liable, as congressional statutory

[33] 1 Stat. 554-55 (1798)

[34] 1 Stat. 558-61, 569-70 (1798)

[35] 1 Stat. 555-56, 575-76 (1798)

[36] 1 Stat. 565-66, 611 (1798)

[37] 1 Stat. 561, 572-73, 574-75, 578-80 (1798)

[38] 1 Stat. 565 (1798)

policy prevails over inconsistent presidential orders.[39] Nonetheless, the president had already acquired the means with which to enforce the order.

After Adams had narrowly avoided war with France and the immediate need for more infantry was removed, Thomas Jefferson came to power and reduced the size of the army (Mahon 1972, 13). Despite Jefferson's "pathological" antipathy for standing armies, he ultimately left the Federalist army firmly intact (quoting Edling, 141; also see Mahon, id). He demonstrated similar deference to Congress in matters of war, but also exhibited a comparable willingness to conduct more limited military initiatives unilaterally. Jefferson's first major military action consisted in sending a small squadron of frigates to the Mediterranean to protect against ongoing attacks by Barbary pirates. He explicitly referenced authorizing legislation[40] and deferred to Congress to abandon the Mediterranean or retain its cruise ships.[41] In response, Congress passed a series of statutes explicitly granting the president authority to equip armed vessels to protect commerce and carry out "warlike operations against the regency of Tripoli, or any of the other Barbary powers."[42] Congress avoided laying additional taxes and instead raised a "Mediterranean Fund" by imposing duties on foreign imports to support these actions.[43]

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[39] *Little v Barreme* 6 U.S. (2 Cr.) 1804

[40] On March 3, 1801, one day before Thomas Jefferson's presidency, Congress passed legislation authorizing six frigates to be "kept in constant service in time of peace… [and] officered and manned as the President of the United States may direct" (Act of March 3, 1801, 2 Stat. 110-11, Section 2).

[41] "The real alternative before us is whether to abandon the Mediterranean or to keep up a cruise in it, perhaps in rotation with other powers who would join us as soon as there is peace. But this Congress must decide." See Ford ed. (1897)

[42] 2 Stat. 291-91, Section 1,3 (1804)

[43] Id at 292, Section 2

While Jefferson's response to the Barbary pirates was explicitly authorized, he also took more limited initiatives into his own hands. In 1807, Jefferson proclaimed a "qualified war" in response to a British attack on an American ship. In doing so, he purchased ammunition without appropriation and only later obtained congressional approval. However, the actual response to the attack was limited to a proclamation ordering all British ships out of American waters. Jefferson backed these actions with economic sanctions instead of military warfare. Congress later upheld the actions with the Embargo Act, a series of laws regulating American shippers and their vessels.[44]

The War of 1812 marked the first official U.S. war following the adoption of the Constitution. The conflict lasted from 1812 to 1816, a period characterized by disorganized state militias, a tiny navy, virtually no military command structure, and an utterly dysfunctional procurement system (Smith 25-29, in Cooling ed. 1977; Wilentz 2005, 157). Indeed, the costs of military mobilization were so high that Madison's initial request for additional troop levels in 1811 yielded congressional vacillations and a refusal to raise taxes—despite a predominantly pro-war attitude among Republican majorities in Congress (Wilentz 2005, 154).[45] Leery of full-fledged war, Madison initially utilized economic pressures to force Britain to relax its blockade on American ships. It was not until this method appeared unavailing that he

[44] Act of December 22, 1807, 2 Stat. 451-52; Replaced by Act of January 9 1808, 2 Stat. 553; Act of March 12 1808, 2 Stat. 473; Act of April 25, 1808, 2 Stat. 499-502; Act of March 1 1809, 2 Stat. 528-533.

[45] Congress did organize volunteer corps and increase the size of the navy (Act of February 6, 1812, 2 Stat. 676).

sent a message to Congress with a litany of complaints against England and requesting an official declaration of war (Stofft 1989, 122-23). The Republican-controlled, pro-war, nationalist House led by Speaker Henry Clay voted to go to war, followed later by a more divided Senate.

Congress increased the size of the army only immediately before declaring a war against Britain (Mahon 1976; Stoffs 1989). Legislators were initially reluctant to provide a navy and refused to authorize new frigates. Opponents argued that a small navy would prove needlessly costly against Britain's large fleet (Sofaer 1976, 273). Traditional Jeffersonian-Republican aversion to standing armies left Madison with "a small regular army scattered across the country [and] a larger but disorganized militia still under official control of individual states" (Wilentz 2005, 157). Reminiscent of the Revolutionary War experience, state militias were "barely trained and poorly supplied… [earning] a strong reputation among the officer corps for uselessness" (Wilentz 2005, 164). Lacking a functional procurement system, contractors often reneged on weapons deals or produced chronically unreliable and faulty weapons systems (Smith 27-28, in Cooling ed. 1977). As a result, Congress controlled the armed forces at the president's expense by refusing increases in the size of the army and navy,[46] micro-managing military procurement policies,[47] imposing specific

[46] In 1815, Madison requested 20,000 soldiers and Congress only approved up to 10,000 (Act of March 3, 1815, 3 Stat. 224).

[47] Congress authorized military experiments with torpedoes (Act of March 30, 1810, 2 Stat. 569) and authorized the president to build certain gun barges "without delay" (Act of July 5 1813, 3 Stat. 3).

mandates and limits on appropriations,[48] and authorizing administrative reorganization of the armed forces[49] (Sofaer 1976, 267-291).

Politics further exacerbated these logistical problems. Federalists had strongly opposed the war and voiced opposition by resisting conscription; four states even refused to send militias. The lack of means at the president's disposal with which to prosecute the war has led scholars to conclude that Congress had the upper hand: The dearth of military resources meant that "[Congress] controlled the extent and type of armed force at the executive's disposal" (Sofaer 1976, 269; also see Hormats 2007, 53).

The war exacted severe economic costs and ended in international embarrassment. Further, British forces caused severe internal destruction within Northeastern states and the capitol, provoking threats of secession among New York Federalists. Accordingly, after the war, Congress "scrambled" to get rid of 30,000 infantrymen and immediately reduced the size of the army from 30,000 to 10,000 men, despite Madison's request to retain 20,000 personnel (Mahon 1972, 14). In 1817, President James Monroe confronted a Congress that construed additional military preparedness as politically costly and strategically unnecessary. Without a compelling rationale for a military establishment, Congress reduced the size of the army to its pre-1812 level and confined its duties to internal policing.

[48] Congress attached restrictions to the completion of fortifications of certain forts and harbors (Act of Feb. 10, 1809, 2 Stat. 516). After the war with Britain ended, Congress suspended appropriations for several fortifications despite executive opposition.

[49] Congress created a superintendent of supplies and reorganizing general staff (Act of June 26, 1812, 2 Stat. 764) and created a Naval Board of Commissioners (Act of March 3 1813, 2 Stat. 816).

Mid-Eighteenth Century: Expansible Armies, Polk's "Undeclared" War

Throughout the nineteenth century, U.S. military forces engaged in intermittent battles over land against the Native Americans. These domestic conflicts led Congress to increase the size of regular peacetime armies and to appropriate funds for the "suppression of Indian hostilities." Accordingly, the onset of the Second Seminole War—the longest and most expensive Native American war—coincided with increasingly professional armies and a peacetime establishment that was, while relatively small, substantially larger in absolute numbers than the 3,000 personnel peacetime army afforded to Adams, Jefferson and Madison.

Two additional developments aided presidents' leverage and flexibility in the command of armed forces: First, following the War of 1812, an Ordnance Department centralized command of weapons developments and standardized the procurement system, contributing to greater contractor reliability and a more stable, uniform weapons arsenal (Smith 29, in Cooling ed. 1977).[50] Second, following the Second Seminole War in 1842, the legislature demobilized forces by decreasing the size of regiments rather than the eliminating entire units. This strategy reflects the first deliberate attempt to maintain an expansible army (Stofft 1989, 166).[51]

In 1846, President James Polk asserted greater willingness than his predecessors to move existing forces in a manner that precipitates war. Louis Fisher's

[50] However, prohibitive capitalization costs, increasingly rigorous production standards, frequent model changes, and uncertainty of further patronage contributed to growing contractor attrition rates throughout the 1830 and 1840s.

[51] Congress reduced troop size by nearly one-third, from 12,500 to 8,500 personnel. Though still small by comparative standards, the troop count was considerably higher than it had been prior to the War of 1812.

(2004, 29-30) analysis of presidential war power makes sense of this shift based on increases in military resources: "The power of the Commander in Chief is at its low point when there is no standing army because a president cannot deploy troops until Congress raises them. But when a standing army does exist, ready to move at the president's command, the balance of power can shift decisively. Such was the case with the Mexican war."

In 1836, Texas won its independence from Mexico, spawning nearly a decade of debate concerning whether the U.S. ought to recognize the independence of Texas. Andrew Jackson had initially declined to do so, given his fears of reprisal from Mexico and a corresponding deference to congressional prerogatives.[52] In 1845, Congress had passed a joint resolution to annex Texas from Mexico and admit it into the union. Subsequently, President Polk ordered General Zachary Taylor to move his forces—1,500 personnel—from Fort Jesup (on the Louisiana border) to a point 'on or near' Rio Grande in order to repel a potential Mexican invasion, without reference to or concern for congressional prerogatives in matters of war. After receiving a message from the War Department detailing an attack on a U.S. detachment, Polk drafted a message to Congress declaring that a state of war exists. Congress responded by passing a declaration of war, immediately increasing the size of the army, appropriating $10 million, and authorizing the president to call 50,000 volunteers to support existing forces in Mexico for a one-year term.

[52] "It will almost always be considered consistent with the spirit of the Constitution, and most safe, that [the power of recognizing the independence of Texas] should be exercised, when probably leading to war, with a previous understanding with that [legislative] body by whom war alone can be declared, and by whom all the provisions for sustaining its perils must be furnished" (Jackson, quoted in Fisher 2004, 30).

During the War of 1812, nine out of ten infantrymen were militiamen. Only one out of ten foot soldiers was a militiaman during the Mexican War; three were Regulars and six were volunteers (Mahon 1972, 23). Reduced reliance on (largely undependable) state militias, combined with greater numbers of active duty soldiers and standardized procurement policies, contributed to both military readiness and Polk's willingness and ability to move existing troops without advanced congressional approval. With sufficient resources, presidents can move troops to enhance the likelihood of war, anticipating or exploiting a legislative premium on safety of military personnel and altering the congressional debate over the appropriation of additional funds. Following the termination of conflict, however, Congress reduced the army to a smaller peacetime force than the 10,000 personnel authorized in 1815—an action that left forces "stretched very thin", especially given the need for police forces in the newly acquired Texas and California regions (Stofft 1989, 180). Regular forces and militias were primarily employed against Native Americans and to quell civilian disturbances up until the Civil War.

Late 19th Century Industrialization & Roosevelt's Great White Fleet

In an unprecedented act of emergency prerogative, the Civil War Congress issued the printing of legal tender. Printing paper money allowed for a dramatic increase in federal borrowing,[53] which allowed President Lincoln to successfully prosecute the war against the South and facilitated a historical shift in power from the

[53] Federal spending ballooned from less than 2% of GPD to in early 1861 to 25% of GDP by the spring of 1865 (Hormats 2007, 83). (See Chapter 2 for further analysis of the rise of federal borrowing during and after World War II.)

states to the federal government.[54] The ease of government borrowing allowed for moderate expansion of domestic procurement infrastructure and greatly increased investments in European procurements during the course of the Civil War (Smith, in Cooling ed. 1977). However, continual military appropriations after the Civil War had ended were almost universally construed as unnecessarily costly. One military historian directly attributes the immediate "discontinuation of the contract system" to the "tightfistedness of Congress" (Smith 1977, 37, 39).[55] It was not until late 1880s and 1890s, when new markets for steel and raw materials emerged, that Congress gradually began to authorize the development of new naval vessels.

The period of late nineteenth century industrialization coincided with a historically unprecedented congressional interest in regional expansion. The U.S. established rights to a coaling station in Samoa and underwent a series of attempts to annex Hawaii after the native government threatened to withdraw U.S. rights to a site for naval station at Pearl Harbor.[56] At the same time, the navy sought to secure coaling stations in the Caribbean while private firms promoted efforts to build an isthmian canal in Panama.

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[54] Although several prominent members of Congress expressed reservations about the constitutionality of the issuance of paper money, a palpable need for national resources (and legislators' reluctance to impose the income tax) contributed to the passage of the Legal Tender Act. Indeed, Senator William P. Fessenden considered legal tender "of doubtful constitutionality," but supported the bill because "to leave the government without resources in such crisis is not to be thought of." Representative Thaddeus Stevens remarked that, "If nothing could be done by Congress except what is enumerated in the Constitution, government would not last a week" (quoted in Hormats 2007, 77).

[55] Defense appropriations fell from $1 billion in 1861 to $57.7 million in 1870 (Smith, id, calculated in real dollars).

[56] The U.S. successfully seized the Hawaiian territory in 1898.

In 1896, the Cuban insurrection against Spanish occupiers destroyed sugar and tobacco plantations, adversely affecting U.S. importers and exporters.[57] U.S. public sentiment strongly favored the rebels; expansionism, business interests, and the goal of Cuban independence all contributed to overwhelming legislative support for war with Spain. In 1898, Senator John Mellon Thurston highlighted the nation's economic interests in a war against Spain: "War with Spain would increase the business and earnings of every American railroad, it would increase the output of every American factory, it would stimulate every branch of industry and domestic commerce."[58]

While presidents Cleveland and McKinley resisted mounting congressional pressure for war in favor of diplomatic measures, a series of events undermined these efforts toward diplomacy: The destruction of the U.S. battleship *Maine* in the Havana harbor, the loss of 260 lives, and the administration's conclusion that Spain was responsible for the explosion[59] eventually led President McKinley to proclaim that the right to intervene in Cuba "may be justified by the very serious injury to the commerce, trade, and business of our people and by the wanton destruction of property and devastation of the island."[60] In 1898, Congress passed a joint resolution

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[57] The U.S. supplied roughly half of Cuban imports and received nearly 90% of Cuban exports (cited in Fisher 2004, 41).

[58] *Congressional Record,* 55 Congress, Session 2, March 25 1898. (In fact, as early as 1809, Thomas Jefferson admitted that, "…I have ever looked upon Cuba as the most interesting addition that could be made to our system of States, the possession of which would give us control of the Gulf of Mexico and the countries and isthmus bordering it." Quoted in Foreman (1900, 185)).

[59] McKinley's message to Congress suggested that that the Spain was the perpetrator. Subsequent studies conclude that the blast came from the interior of the ship, suggesting that Spain did not cause the incident.

[60]William McKinley, War Message 1898, in Richardson ed. (2004).

recognizing the independence of Cuba, demanding that the Spanish government relinquish its authority and withdraw from the territory, and authorizing the president to utilize land and naval forces to carry the resolution into effect.

Despite longstanding congressional support for war with Spain and months of negotiations preceding the outbreak, military historians conclude that the country was militarily ill-prepared for the conflict (Stofft 1989, 322; Mahon 1976, 35). Many of the nation's new fleets remained untested, and the United States still lagged nearly a decade behind Europe's military technology (Smith 1977, 38). The extensive modernization and build-up of naval forces rapidly outpaced the dwindling and ill-equipped army, leading to a reliance on antiquated weapons systems leftover from the Civil War and substantial dependence on Congress for mobilization of a large volunteer contingent (id).[61] The Navy successfully fought the most decisive battles of the Spanish American War, contributing to both U.S. victory and to Congress' willingness to promote further naval expansion and modernization (Stofft 1989, 344).

As a result of the Spanish-American War, the Navy acquired more bases for its operations, such as Guantanamo Bay in Cuba, which allowed for more regional interventions to protect expanding investments and trade. The following year, in 1899, Congress authorized the procurement of a new, modern battleship, while many of the "emergency" ships added for the war in 1898 were returned to civilian status. By 1907, at the end of Roosevelt's administration, a decade of congressional

[61] Despite the need for military personnel, the conflict with Spain did not lead to a notable increase in the Regular Army. Instead, Congress passed an act calling for a Volunteer Army consisting of regiments raised and officered by the states within organized militia units (Mahon, id). Subsequently, McKinley called forth 125,000 military volunteers to support the U.S. naval blockade. U.S. Department of State Timeline of U.S. Diplomatic History, 1866-1898. Accessed at http://www.state.gov/r/pa/ho/time/gp/90609.htm

investment in naval mobilization allowed the president to dispatch a fleet consisting of four squadrons of four battleships each for worldwide travel. The massive display of sea power, known as the Great White Fleet, demonstrated to the world that the U.S. navy was capable of operating not only in the Pacific, but also in a global theater.

Greater U.S. military presence in the Pacific presented new strategic and logistical problems for the War Department. Between 1900 and 1917, War Department leaders Elihu Root and Henry Stimson and military chief-of-staff Leonard Wood initiated major reorganization initiatives to meet these challenges. In 1903, the department reorganized command of the army and formed a corporate general staff to control and integrate planning. Permanent bureaucratic control over contracting created additional congressional influence in military procurement processes (Beaver 76, in Cooling ed. 1977). Civilian department heads strategically shifted their activities to industrial mobilization and investment in domestic procurement infrastructure to meet the new supply needs of the army (id).

In the context of these War Department transformations, increased civilian control over contract decisions, and a historically unprecedented peacetime naval build-up, President Roosevelt successfully issued a policy known as the "Roosevelt Corollary" to the Monroe Doctrine. The policy called for non-interference in the internal affairs of other countries, provided that a nation "keeps order and pays its obligations."[62] However, Roosevelt also warned that "flagrant cases of wrongdoing or impotence"—specifically those that provoke intervention by a European power—may

[62] Theodore Roosevelt, Fourth Annual Message to Congress, December 6, 1904. Document accessed from The American Presidency Project, Document Archive.

ultimately require U.S. military preemption. Roosevelt had already put his doctrine into practice in 1903, responding to Columbia's refusal to give the U.S. rights to a canal in Panama (a former province of Columbia). He recognized Panama as an independent republic and used armed forces to gain control of the canal zone, citing past revolutions, insurrections and riots as evidence that Columbia is incapable of maintaining order without U.S. interference.[63] The Senate consented (66-14) to the action by ratifying the president's treaty, and the U.S. Treasury purchased the assets of the Panama Canal Company.

Military revitalization and regional interests emboldened early twentieth century presidents to station forces abroad and issue limited military engagements independently. At the same time, however, international agreements and extended military actions generally required ongoing congressional cooperation. When Roosevelt sought to intervene in the Dominican Republic in 1905 to prevent further accumulation of European debt, the Senate successfully blocked the president's independent negotiations, defeated a proposed treaty, and forced a series of compromised actions. While President William Howard Taft stationed small contingents in Nicaragua, Honduras and Cuba, he also demonstrated caution in issuing larger military operations. In 1911, Taft cited his power as commander-in-chief to position troops along the Mexican border to prepare for a timely response to an uprising, but also refused to intervene in Mexico without explicit congressional approval (cited in Fisher 2004, 49-50).

[63] "The experience of over a half century has shown Colombia to be utterly incapable of keeping order on the isthmus…We, in effect, policed the isthmus in the interest of its inhabitants and for our own national needs, and for the good of the entire civilized world" (Roosevelt, Third Annual Message to Congress, December 7, 1903. Accessed at the American Presidency Project, id.)

In 1912, Congress increased naval resources prior to the massive mobilization effort during World War I. In the ensuing years, President Woodrow Wilson utilized naval forces to quell uprisings and undermine existing administrations in Veracuz, Haiti, and the Dominican Republic. In an unprecedented attempt to commence major military hostilities unilaterally, the president responded to the bandit Pancho Villa's 1916 attack on Columbus, New Mexico by sending U.S. troops to Mexico without consulting Congress. However, the ensuing expedition was compromised by the war in Europe, poor coordination, and a lack of federal funds. Wilson ultimately ordered the troops to withdraw from the Mexican border.[64]

Conclusion

The availability of military resources shapes the extent to which presidents seek congressional consent and ongoing cooperation for military actions. In the late eighteenth century, leading Federalist arguments exhibit a common understanding that congressional control over scarce resources would restrain the president's ability to utilize force unilaterally. However, a series of socioeconomic and technological developments that reduced the public costs of military mobilization, combined with a clear national interest in domestic and regional expansion, encouraged Congress to maintain more expansive military resources.

Political incentives to perpetuate peacetime military spending inadvertently augment executive war powers at the expense of Congress. While the earliest U.S.

[64] For a more detailed account of the Mexican Expedition see Global Security, 1916 Mexican Expedition. Accessed at http://www.globalsecurity.org/military/ops/mexican_expedition.htm

presidents—Washington, Adams, Jefferson, and Madison—sought to direct foreign affairs with as few restrictions as possible, these leaders also lacked a peacetime military establishment and functional procurement system. Early nineteenth century presidents demonstrated greater deference to Congress in military matters than their twentieth century counterparts, in large part because they lacked the means and the authority to direct these operations independently. This political environment placed greater emphasis on diplomacy, and also required congressional support in order to raise requisite funds to support military engagements.

Once Congress began to raise expansible armies to protect new territory during the mid-nineteenth century, President Polk seized upon his ability to move existing troops. Expansible armies have historically enabled presidents to precipitate armed conflicts, rendering Congress a reactive body and altering the legislative debate over both the appropriation of additional funds to support troops already engaged in battle and the formal authorization of war. Finally, in the late nineteenth century—when new markets for steel and raw materials emerged during industrialization—Congress authorized an unprecedented peacetime naval build-up, passed legislation enhancing civilian control over the allocation of defense contracts and worked with War Department officials to reduce reliance on European imports and invest in domestic procurement infrastructure. In the early twentieth century, Presidents Roosevelt, Taft, and Wilson began to make use of newly available military resources, along with weapons arsenals left over from previous wars. Each of these developments simultaneously enhanced the nation's military establishment and

facilitated an enhanced executive ability to commence minor troop deployments independently.

Domestic markets for weapons procurements and reliance on deficit spending reduce the public costs of war, making it easier for Congress to increase peacetime military expenditures without provoking resentment among voters. The growth of available defense resources also alters the balance of institutional war powers, allowing presidents to deploy existing troops without congressional permission. Despite intermittent congressional efforts to increase military appropriations in the late nineteenth and early twentieth century, Congress never maintained large peacetime armies until after World War II. In fact, while the army grew in real numbers throughout the nineteenth century, the ratio between the peacetime military establishment and population remained below the level of the 1790s until the advent of the Cold War (Edling 2003, 142). As a result, systematic demobilization following major military hostilities significantly constrained the scope and duration of the president's independent military actions. Constitutional scholar Edwin Corwin (1951, 15) has highlighted the quantum difference in undeclared conflicts before and after World War II, pointing out that the presidents' independent military actions prior to the Korean War primarily consisted of "fights with pirates, landings of small naval contingents on barbarous or semi-barbarous coasts, the dispatch of small bodies of troops to chase bandits or cattle rustlers across the Mexican border, and the like."

As the following chapters will examine, the rise of a permanent military industry during and after World War II not only lessened the costs of military mobilization, but also generated widespread economic dependencies and political

benefits that flow from ongoing military spending. At the same time, the post-war environment has promoted a series of policies that systematically reduce the traditional public costs of war. Consequently, the development of a standing military arsenal created an environment in which key members of Congress support the ongoing appropriation of defense dollars, indirectly augmenting executive ability to set the national security agenda. The proliferation of available defense resources promotes greater executive independence in military affairs at the expense of geopolitical strategies that might otherwise be adopted as a result of congressional deliberation.

Ch. 2: World War II Military Mobilization: Industry Dispersion & Externalization of War Costs

During the Teheran Conference in December 1943, Josef Stalin extolled U.S. manufacturing as the key to Allied victory in World War II. President Roosevelt's Lend-Lease program—which authorized the transfer of U.S.-manufactured arms and ammunition for the Allied powers—provided the Soviets with thousands of tanks, planes, and ground vehicles, millions of tons of raw materials and thousands of tools for military production. In late 1943-1944, U.S. defense production rivaled the combined total of all its allies and adversaries (Goldsmith 1946, 70).[65]

While U.S. munitions production helped the Allied forces counter Nazi Germany and defeat the Axis powers, the production efforts also helped combat a decade-long U.S. economic depression. Nearly 9 million U.S. workers—14.6% of Americans—were unemployed when France fell to Germany in 1940. Unemployment rates hovered just below 10% when Japan attacked Pearl Harbor in December 1941, six months after President Roosevelt had initiated the Lend-Lease program (U.S. Bureau of the Census, Historical Statistics of the United States, Colonial Times to 1957). In 1944, at the height of U.S. war production, unemployment had fallen to

[65] According to Goldsmith's (1946) estimate, in 1944 the United States produced 40% of the world's munitions output.

1.2% of the labor force and U.S. gross domestic product increased nearly 100%—despite the enlistment of over 12 million Americans in the armed services (U.S. Census Bureau, 2009 Statistical Abstract, Historical Statistics).

Idle manpower, dormant industrial resources, and shifting business-government relations poised the nation for explosive military production. As the Axis powers advanced through Europe and after Japan attacked Pearl Harbor, a perfect storm of economic need, political will and a potent existential threat transformed the nation to a full-scale military economy.

This chapter shows that the economic and political consequences of full-scale military mobilization during World War II transformed political incentives surrounding U.S. defense production. In creating a mutually advantageous, inter-dependent enterprise between the Pentagon, defense contractors and key constituencies, members of Congress and their constituencies would perceive more benefits in perpetuating and expanding defense production than in reducing costs by demobilizing as had occurred after previous wars. Prior studies have demonstrated that business relationships between defense firms and governing officials work to facilitate industry profits and meet an expansive government demand for munitions (Higgs 2006, 1990; Adams 1982; Proxmire 1970). However, previous work has largely neglected key structural features that have allowed the U.S. military industry to exist and thrive in a representative governing system that caters to both local constituencies and national majorities: First, in every decade since World War II, the allocation of defense dollars has included increasing numbers of economic beneficiaries across geographic regions, states and communities—many of which

grow to depend on defense dollars for local economic sustainability.[66] Second, the extension of defense revenue and employment opportunities has coincided with policies that decrease the public sacrifices necessary to maintain the U.S. military economy and utilize force abroad. As a consequence, constituencies incur increasing benefits from ongoing defense spending at diminished perceptions of public expense.

Previous studies have examined regional disparities in defense contracting (Markuson et al. 1991) and the nation's shift away from its traditional reliance on direct taxation to pay down war debts (Hormats 2007). However, scholars have paid less attention to the systematic expansion of benefits and the reduction of public costs associated with military expenditures and warfare.

The chapter unfolds in three parts. Part I examines the factors and conditions leading up to total U.S. military mobilization during World War II. The analysis suggests that President Roosevelt capitalized on the willingness of Congress and courts to go along with continued deficit spending and a series of policies that minimized the risks of capital investment for military conversion on behalf of the World War II effort. In carving out a greater government role in business affairs, Roosevelt not only advanced military goals but also extended the premise behind many of his New Deal programs which were designed to lift the nation out of a major economic depression. As a result, the U.S. military industry grew out of ongoing partnerships between public and private actors, including heavily subsidized defense infrastructure in new regions and localities and procurement policies that cater to the profitability and staying power of major military firms.

[66] See Chapters 3 & 4 for a more complete analysis of local economic dependencies on the defense sector of the economy.

Part II illustrates how defense contracting has generated profits in increasing numbers of states and congressional districts from Eisenhower to the George W. Bush administration. Throughout the Cold War, defense contracting extended from major metropolitan locations in the Northeast, Midwest, and Western coast to cities and towns throughout the Deep South and Sunbelt regions—although the Midwest suffered relative losses and the bulk of defense dollars remain geographically concentrated around major defense production sites. Even after the fall of the Soviet Union, the scope of military allocations expanded well beyond 1970s levels—despite modest reductions in weapons spending and in the reduced threat environment of the 1990s. Following the attacks of September 11, 2001, the U.S. War on Terror precipitated additional defense contracting expansion, drawing military profits into more and more sparsely populated areas including desert, mountain and plains regions.

Part III demonstrates that increasingly widespread benefits flowing from defense contracting have coincided with policies that systematically reduce the public costs of warfare to the broad public. The All-Volunteer Force and official use of private military contractors and security forces contribute to substantially lower U.S. troop counts and fewer American military casualties. These policies drastically reduce public opposition to the U.S. use of force abroad—at least unless or until U.S. troop casualties mount and public support for ongoing military engagements erodes (Mueller 2005; Karol & Miguel 2007; Grose & Oppenheimer 2007; Kriner & Shen 2007). At the same time, increased deficit spending pushes financial costs onto future generations and obviates the traditional need to tax current populations in order to

wage war successfully. Finally, the development of technology that transports wars abroad imposes the bulk of the war costs—economic losses, damage to infrastructure, and disruption of peacetime life—onto the foreign nations where U.S. wars take place.

This chapter demonstrates that the military industry has structured increasingly widespread economic benefits that flow from defense contracting, even though most defense profits remain geographically concentrated around major defense sites. The extension of benefits has coincided with a series of policies that diffuse and externalize the public costs of war. The proliferation of benefits and reduced public costs traditionally associated with military spending and warfare make it easier for administrations and congresses to push for greater levels of defense spending and utilize force abroad with less fear of electoral reprisal.

World War II Military Mobilization

While the United States entered World War I with a fully employed civilian economy, World War II coincided with a sluggish domestic economy, an unemployment rate, of 15% and latent industrial capacity. As a result, dormant resources and idle manpower could be redirected to wartime purposes with minimal disruption to peacetime life. Historian David M. Kennedy (1999) has commented at length on the influence the economic depression had on the scale and scope of U.S. military production during World War II. In Kennedy's assessment, the war not only stimulated economic growth and lifted the nation from a major economic depression,

but these dismal economic conditions themselves allowed for total military mobilization on behalf of the war effort.[67]

Despite a down economy, however, industries were initially reluctant to make a total conversion to the war effort. Businesses construed arms production as unprofitable, given the historical lack of stability and continuity in defense production during peacetime (see Cooling ed. 1977). To forge a partnership with the business community, the Roosevelt administration adopted a series of policies that minimized the risks of capital investments for businesses that converted to military production. First, a newly established Defense Plant Corporation (DPC) gave money to firms to build new facilities and purchase equipment. Private operators also leased plants from the government, which retained the ownership title during the war but eventually sold most of its facilities at a loss (Friedberg 2000, 285). Second, Congress and the administration agreed to reimburse whatever a company spends and guarantee an added profit for arms production—a "cost-plus" incentive to business that has remained a ubiquitous feature of military procurement and research and development. Finally, war spending rose from $3.6 billion in 1940 to $93.4 billion in 1944.[68] The proliferation of available funds not only assisted the war effort, but also provided a stimulus to business, employment levels and national productive capacity.

Unlike textbook capitalist economies—where risk and financing are assumed by the entrepreneurial actor in hopes of profitable returns—economic risks shifted

[67] "Not only did the war rescue the American people from the Depression; no less significant, the Depression has in turn poised the economy for rapid conversion to war production" (Kennedy 1999, 617).

[68] By contrast, during the 1922-1939 fiscal years, federal outlays for national security averaged only $744 million per year, while Congress had allocated only a fraction of these funds for weapons procurement (Higgs 1990, 33).

from business to the government. As two scholars put it, government investments, subsidies and guaranteed profit margins allowed companies to "function in a world of socialized risks and private profit" (Adams & Adams 1972, 284). However, unlike standard command economies, the U.S. government never needed to co-opt business for the war effort. Rather, increased spending, subsidized wages and guaranteed cost-plus earnings ensured relatively low-risk profits flowing to major defense industries. These policies, in turn, helped ensure that defense production met President's Roosevelt's ambitious procurement goals. Given this coincidence of interests, it is little surprise that World War II military contracting quickly "became a hunting license" as firms engaged in a "cutthroat scramble for scarce resources" (Kennedy 1999, 626-27). Indeed, while U.S. airframe and engine manufacturing increased 4000% between 1940 and 1945, the government directly financed 90% of the total output (Friedberg 2000, 85).

While the policies governing military production met the needs of the business community and the administration, regions and localities with industries engaged in military production also gained enhanced employment opportunities and local revenue. In May, 1940, President Roosevelt announced an unprecedented request for 50,000 planes a year for the war effort.[69] This ambitious procurement goal called for greater annual production rates than the aircraft industry had produced in its entire history (Cunningham 1951, 76). While the president's request immediately

[69] "I should like to see this nation geared up to the ability to turn out at least 50,000 planes a year. Furthermore, I believe that this Nation should plan at this time a program that would provide us with 50,000 military and naval planes," (quoting Franklin D. Roosevelt, Message to Congress on Appropriations for National Defense. Address Before a Joint Session of Congress, May 16, 1940, 76th Cong., 3rd Session, In American Presidency Project, Papers of Franklin Delano Roosevelt. Accessed at http://www.presidency.ucsb.edu/ws/index.php?pid=15954).

required large-scale expansion and rapid production, the principal demand for aircraft capacity at the early stages of the war (as opposed to other types of military equipment) also limited the geography of military production. In 1940, government investments in defense manufacturing reveal a pronounced coastal bias, favoring regions with existing aircraft capacity. Appendix 2.1 lists major locations in which major aircraft companies converted their production efforts to for the war in 1940.[70]

As shown in Appendix 2.1, major metropolitan areas in coastal regions received the bulk of defense dollars in 1940, at the onset of the U.S. military build-up. Aircraft capacity clustered around a few major industries, including Lockheed Aircraft, Douglas Aircraft and Northrop Aircraft in Los Angeles; United Aircraft in Hartford; and Curtiss-Wright in Paterson, New Jersey; Grumman in Long Island City; Curtiss-Wright in Buffalo; and Boeing in Seattle. While the nation's interior regions—Kansas City, Kansas, Wichita, Kansas, Robertson, Missouri and Cincinnati, Ohio—contained industry subsidiaries and light airplane companies, the major coastal metropolises still received over 96% of military procurement dollars in 1940 (Cunningham 1951, 109). Leading 1940 wartime industries were concentrated in major coastal cities with a near-monopoly on military aircraft capacity.

By the peak of wartime production in 1944, however, the geography of military production changed dramatically. While the five largest aircraft companies averaged 3,500 employees each prior to 1940, average aircraft industry employment swelled to greater than 100,000 workers per company within four years (Cunningham 1951, 115). Further, existing industries did not rely solely on in-house expansion. By

[70] I compiled the data in Appendices 2.1- 2.3 manually with information drawn from Cunningham (1951) and the Bureau of Labor Statistics (various years).

1944, every region, 2/3 of states, most of the nation's larger cities, and many suburbs and towns were involved in military production. At the same time, domestic unemployment plummeted to 1.2%, while GDP increased nearly 100-fold (U.S. Census Bureau, 2009 Statistical Abstract, Historical Statistics).

The expansion of military production took several forms: First, existing industries expanded their utilization and established new facilities in neighboring locations. Second, military industries licensed (non-military) manufacturing companies to supply parts and assist in national defense production. Third, the Defense Plant Corporation and Plant Site Board subsidized the construction of new facilities, primarily in interior regions of the country that lacked developed industrial economies. As a result, industries expanded to small cities, suburbs and towns, heavily influencing residential patterns, migration and population distribution in these areas. At the same time, direct government investments laid the foundation for industrial capacity in regions of the country that had previously lacked manufacturing economies.

Available data on the locations of government-owned, company-operated facilities permits an analysis of the locations for military production chosen by the private sector as opposed to the government. In the private sphere, major aircraft companies typically favored increasing the utilization of existing plant space. Where space limitations precluded expansion, companies extended capacity by acquiring new sites in neighboring vicinities. As documented in Appendix 2.1, in 1944, branch plants had spread into the outskirts of large cities, occupying suburbs, towns and small communities surrounding Los Angeles, Hartford, Long Island City, Buffalo and

Seattle. These new plants were typically located far enough away from cities to meet large space requirements, yet remained within the metropolitan district and sufficiently near the original site to benefit from its supply channels and other facilities.

In Los Angeles, Douglas Aircraft Company acquired a site on the Long Beach Municipal Airport and constructed a large assembly plant. Lockheed Aircraft acquired hundreds of facilities in the Los Angeles area scattered across small towns from Maywood to Van Nuys. United Aircraft Company extended production to Southington and Willimantic, near central operations in Hartford. Grumman Aircraft Company drew upon existing space, cheap rental units and available labor in small communities surrounding Long Island City, including Bethpage, Babylon, Lindenhurst and Port Washington. Bell Aircraft Corporation not only leased additional space in Buffalo, but also completed an assembly plant at Niagara Falls Airport in Wheatland, while Curtiss-Wright also extended its productive capacity to Buffalo Municipal Airport. Boeing Aircraft Company selected sites in Renton, Everett, Bellingham and Aberdeen, several miles from the home plant in Seattle.

Nonetheless, the administration's ambitious production goals surpassed industry capacity in spite of the expansion in home and branch plants. To further extend productive capacity, defense industries licensed automobile companies to manufacture airframes, engines and propellers. Unlike aircraft companies, the auto industry was well-versed in mass production and faced a period of reduced output. The administration and Congress thus drew upon the nation's major manufacturing industries to produce military supplies.

Appendix 2.2 documents the role of the automobile industry in U.S. military production in 1944. Auto conversion occurred primarily in traditional Midwestern manufacturing hubs, principally surrounding the Great Lakes region. Indianapolis (Chevrolet, General Motors), Chicago (Dodge, Buick), Detroit (Continental Motors, Packard Motor), Cleveland (Ford Motor) and Milwaukee (Nash-Kelvinator) all converted their facilities for subassemblies, glider production, engine production, and light transport units. Like the aircraft industry, demand for output led the industry to spread their operations in smaller towns and communities adjacent to cities with major operations.

Appendices 2.1 - 2.2 show that, from 1940 to 1944, converted defense industries generally opted to expand their operations in geographically proximate areas. The geography of military production had extended from major cities in predominantly coastal areas to manufacturing centers throughout the Midwest and small towns on the outskirts of original plant sites. However, these trends also indicate that the complete decentralization of military output across every region and two-thirds of the states was not simply a result of increased government demand or industrial decisions made by private suppliers. Rather, the U.S. government also played an unprecedented role in restructuring the location of industry and dispersing the nation's military output. The Plant Site Board (an executive agency established to determine the locations of new defense sites) bought and leased facilities in interior locations of the country and funded the transfer of material and production to regions with traditional agriculture economies, away from predominant coastal areas.

Prior to World War II, government was not positioned to play an active role in the selection of new production sites. However, as the principal source of funds for the construction of new facilities and as the major market for the industry's output, executive officials enjoyed considerable latitude over new industry locations.[71] The National Resources Planning Board even acknowledged the federal government's principal role in decentralizing military industrial capacity to regions "characterized by severe unemployment" and introducing industrial infrastructure in "predominantly agricultural areas."[72]

Appendix 2.3 lists locations with government-owned, company-operated facilities during World War II, where the Plant Site Board and Defense Plant Corporation leased facilities to businesses—often at a guaranteed profit. The geographic calculus immediately displays a clear government interest in inland locations. By eliminating overhead costs and subsidizing the geographic diffusion of industry, DPC transferred companies' military production to Chicago (Douglas), Marietta, Georgia (Bell Aircraft), Indianapolis (Curtiss-Wright), Kansas City (North American), Louisville (Curtiss-Wright, Consolidated), Fort Crook, Nebraska (Martin), Oklahoma City (Douglas), Tulsa (Douglas), Dallas (North American), Fort Worth (Consolidated) and Grand Prairie, Texas (North American). Further,

[71] According to Aircraft Industries Association of American, Inc. estimates, the entire facilities expansion program from 1940 to 1944 was 91.8% federally financed and 8.2 percent privately financed (Aviation Facts & Figures 1945, cited in Cunningham 1951, 116).

[72] "During the armament program many of the locational effects of Federal expenditures have been planned; this has been especially true where Federal funds have been used to finance the construction of new plants. An important part of the program has consisted of the placing of munitions and other plants in areas characterized by severe unemployment…[I]ndustrial employment in predominantly agricultural areas has increased greatly as a result of these projects…However, even armament contracts are given mainly to firms operating already existing plants, and of necessity have been concerned more with military requirements than with any broad purpose such as diversification or decentralization" (U.S. Executive Office, National Resources Planning Board. 1941, 1).

modification centers—joint business-government ventures—extended to new locations, such as Phoenix, Arizona (Goodyear), Tucson, Arizona (Consolidated), Daggett, California (Douglas), Elizabeth City, North Carolina (Consolidated) and Dallas, Texas (Lockheed).

A Defense Zone, defined by the War College as the area enclosed by a line 200 miles inland from the coasts and the Canadian and Mexican borders, further emphasized the government's interest in interior locations. In direct compliance with Defense Zone requirements, new production centers emerged in Nashville, Tennessee (Stinson Aircraft) Omaha, Nebraska (Martin), Kansas City, Kansas (North American), Evansville, Indiana (Republic Aviation), Memphis, Tennessee (McDonnell), Lockland, Ohio (Curtiss-Wright), Kansas City, Missouri (United Aircraft), Beaver, Pennsylvania (Curtiss-Wright) and Wichita, Kansas (Cessna Aircraft). Given these trends, it is no surprise that states with the largest percent of private funding were overwhelmingly coastal areas, while the mobilization of inland locations was almost entirely government funded (Cunningham 1951, 128).

There are several reasons why the administration might perceive an interest in dispersing military production in wartime. Military demands for security may place a premium on more remote locations in the center of the country, away from coastal areas that are more susceptible to external attack. Interior locations may also offer cheaper land, access to airfields and untapped labor supplies. In any event, these decisions expanded economic activity and employment opportunities to regions and localities that may not otherwise have established defense infrastructure or received an economic stimulus from the flow of federal defense dollars.

As defense industries and the armed forces drew more heavily on the nation's population, availability of labor became the major consideration in the selection of new locations, even overshadowing inland locations. Government invested in cities less than the prescribed 200-mile distance from the coast, including Allentown, Pennsylvania (Consolidated), Burlington, North Carolina (Fairchild), Birmingham, Alabama and New Orleans, Louisiana (Consolidated). These government decisions echoed and amplified industries' expansion to smaller suburban cities and towns, and even very small communities, with cheap land, available floor space and untapped labor.

Unprecedented defense industry expansion within small cities, towns and communities facilitated new residential patterns that persisted after the war. Table 2.1 exhibits the major metropolitan areas and surrounding locations with defense production sites during World War II, the population of each census-designated area in 1940 and 1950, and the percent population change after the war.

Table 2.1 Population Change in Cities and Towns with Defense Infrastructure, 1940-1950

	1940 City Population	1950 City Population	% Change	1940 plant	1944 plant	1950 plant	Company
Los Angeles	1,504,277	1,970,358	31.0	x	x	x	Lockheed Aircraft - multiple plants
Burbank	34,337	78,577	**128.8**	x-rapid growth	x - expansion	x	2 Lockheed Aircraft plants
Bakersfield	29,252	34,784	18.9	n	x		Lockheed
Santa Barbara	34,958	44,913	28.5	x	x		Lockheed
Fresno	60,685	91,669	51.1	n	x		Lockheed
Maywood	10,731	13,292	23.9	n	x		Lockheed
Van Nuys (San Fernando Valley)	9,094	12,992	42.9	n	x		Lockheed
San Bernadino	43,046	63,058	44.5	n	x	n	Consolidated-Vultee
Santa Ana	31,921	45,533	42.6	n	x	n	Consolidated-Vultee
Inglewood	30,114	46,185	53.4	x	x	x	North American
Downey	45,913	109,659	58.1	x-rapid growth	x	x	Vultee, North American
El Segundo	3,738	8,011	**114.3**	x	x	x	Douglas
Hawthorne	8,263	16,316	97.5	x	x	x	Northrop
Santa Monica	53,500	71,595	33.8	x-rapid growth	x	x	Douglas; largest existing plant in 1940
New York City	7,454,995	7,891,957	5.9	.	.	.	.
Bethpage NY (Oyster Bay)	unincorporated	5,215	.	x	x-expansion	x	Grumman
Babylon NY	4,742	6,015	26.8	n	x		Grumman
Port Washington NY (Town of North Hempstead)	20,856	29,135	39.7	n	x		Grumman
Syosset NY	unincorporated	1,133	.	n	x		Grumman
Lindenhurst NY	4,756	8,644	81.7	n	x		Grumman

Table 2.1, continued

	1940 City Population	1950 City Population	% Change	1940 plant	1944 plant	1950 plant	Company
Farmingdale	3,524	4,402	27.5	x	x	x	Republican Aviation
North Tarrytown NY	6,874	8,851	28.8	[illegible]	x		Eastern Aircraft (GM subsidiary, licensed by Grumman)
Valley Stream NY	16,679	26,854	61	[illegible]	x	x	Columbia Aircraft Corp., site selected post-war
Astoria NY (Queens)	1,297,634	1,550,840	19.5	[illegible]	x	[illegible]	Schwiezer Aircraft Corp
Linden NJ	24,115	30,644	27.1	[illegible]	x		Eastern Aircraft (GM subsidiary, licensed by Grumman); adjacent airfield
Caldwell NJ	4,932	6,270	27.1	[illegible]	x	x	Curtiss Propeller Division
Clifton NJ	48,827	64,511	32.1	x	x	[illegible]	Curtiss propeller plant closed postwar
Paterson NJ	139,656	139,336	-0.2	x - major	x-expansion	[illegible]	Wright plant closed
Woodridge NJ	5,739	6,283	9.5	[illegible]	x	[illegible]	Wright Aeronautical plant closed postwar
Fairlawn NJ	9,017	23,885	**164.9**	[illegible]	x		Curtiss branch plant
Bloomfield NJ	41,023	49,307	18.5	[illegible]	x		Eastern Aircraft (GM subsidiary, licensed by Grumman); adjacent airfield
Buffalo	575,901	580,132	0.7	x	x	x- govt-owned	Curtiss-Wright, Bell
Niagara Falls NY	78,029	90,872	16.5	[illegible]	x	downsizing	Bell Aircraft
Tonowanda NY	13,008	14,617	12.4	[illegible]	x	x- re-utilization	Chevy
Jamestown	42,638	43,354	1.7	[illegible]	x		American Aviation
Binghamton	73,309	80,674	3.0	.	.	.	.
Elmira NY	45,106	49,716	10.2	[illegible]	x	x	new glider buildings
Johnson City NY	18,029	19,249	6.7	[illegible]	x		Remington-Rand

Table 2.1, continued

	1940 City Population	1950 City Population	% Change	1940 plant	1944 plant	1950 plant	Company
Philadelphia	1,931,334	2,071,605	7.3	⇩	x	x	Budd; Westinghouse Electric
Johnsville (Warminster)	1,997	7,127	72.0	⇩	x	x	Brewster Aeronautical, adjacent airfield
Willow Grove PA	unincorp	unincorp	.	⇩	x		glider production
Seattle	368,302	467,591	27.0	x	x	x	Boeing - multiple facilities
Renton	4,488	16,039	**257.4**	⇩	x	x	Boeing plant, adjacent airfield
Aberdeen	18,846	19653	4.3	⇩	x	⇩	Boeing plant
Bellingham	29,314	34,112	16.4	⇩	x	⇩	Boeing plant
Hoquiam	10,835	11,123	2.7	⇩	x	⇩	Boeing plant
Everett	30,224	33,849	12.0	⇩	x	⇩	Boeing plant
Chehalis	7,414	5,639	16.8	⇩	x	⇩	Boeing plant
Tacoma	109,408	143,673	31.3	⇩	x	⇩	Boeing plant
South Tacoma	unincorporated	unincorporated	.	⇩	x	⇩	Boeing plant
Chicago	3,396,808	3,620,962	6.6				
St. Charles	5,870	6,709	14.3	⇩	x	x	Howard Aircraft Corp.
De Kalb	9,146	11,708	28.0	⇩	x		Interstate
Kenosha WI	48,765	54,368	11.5	⇩	x	x	Nash
Melrose Park IL	10,933	13,366	22.3	⇩	x		
Park Ridge IL	12,063	16,602	37.6	⇩	x		
Hartford	166,267	177,397	6.7	x	x	x	United Aircraft Co. - multiple facilities
East Hartford	18,615	29,933	37.8	x	x	x	Pratt & Whitney; Hamilton Standard Propeller
Southington	unincorporated	5,955	.		x	x	Pratt & Whitney
Buckland (Manchester)	23,799	34,116	30.2	⇩	x		Pratt & Whitney

Table 2.1, continued							
	1940 City Population	1950 City Population	% Change	1940 plant	1944 plant	1950 plant	Company
New London	30,456	30,551	0.8				
Pawcatuck	.	5,269	.	n	y	n	Hamilton Standard Propellers
Norwich	23,652	23,429	-0.9	n	y	n	Hamilton Standard Propellers
.							
Detroit	1,623,452	1,849,568	13.9	n	y	y	Chevrolet, Continental Motors, Nash, Packard, Ford, Chrysler
Wayne	4,223	9,409	**122.8**	y	y-major	subassemblies	Stinson Aircraft; Consolidated Vultee
Dearborn	63,584	94,994	49.4	n	y	y	Ford Motor Co + 1950s military subcontracting
Ypsilanti	12,121	18,302	51.0	n	y	y	Ford plant, adjacent airfield + 1950s subcontracting
Cincinnati	455,610	503,998	10.6	y	y	y- govt owned	Aeronautical Corp of America, General Electric
Hamilton OH	50,592	57,951	14.5	n	y	n	Ford Motor Co. (smaller unit)
Milford OH	2,139	2,448	12.6	n	y	n	Ford Motor Co. (smaller unit)
Cleveland	878,336	914,808	4.2	n	y	y - govt-owned	Ford
Brooklyn OH	1,108	6,317	**470.1**	n	y		Ford Motor Co
Dallas	434,462	294,735	47.4	n	y - govt-owned	y - govt-owned	North American
Fort Worth	177,662	278,778	56.9	n	y - govt-owned	y - govt-owned	Consolidated, Bell
Grand Prairie TX	1,595	14,494	**815.0**	n	y	y	North American plant leased to War Dept in 1944; occupied by United Aircraft in 1950
Phoenix, AZ	65,414	106,818	63.3	n	y - modification center	y	Goodyear

The table illustrates the disproportionate impact of defense industry expansion on population growth and local development in small towns and communities, as opposed to large, populated cities with more diverse manufacturing economies. Los Angeles was arguably the heart of World War II defense production, with hundreds of defense facilities spread throughout the metropolitan landscape. While the metro area population grew 31% between 1940 and 1950, the smaller cities and towns within the metro region that engaged in World War II defense production experienced far greater expansion. The rapid growth of two Lockheed Aircraft facilities in Burbank corresponds with 129% population growth, while Douglas Aircraft expansion in El Segundo is associated with an 114% population increase. Downey's (Vultee, North American) population grew nearly 60%, while Hawthorne (Northrop) expanded almost 100%. Other areas with no previous defense infrastructure—including Fresno, Van Nuys and Santa Ana—expanded by roughly 50% after Lockheed established defense plants in these areas.

In every metropolitan area, the small cities and towns with wartime industry expansion in 1944—and continued industrial capacity in 1950—experienced explosive population growth. Central cities with previous infrastructure exhibit far more modest changes. While New York City's population grew by almost 6%, smaller outskirts such as Lindenhurst, New York (87% population growth) and Fairlawn, New Jersey (165% population growth) attracted new residents at disproportionately greater rates. Indeed, even more remote Midwestern locations such as Wayne, Michigan (123% population growth) and Brooklyn, Ohio (470%

population growth) far exceeded the expansion of central auto manufacturing cities, like Detroit (14% population growth) and Cleveland (4% population growth).

Population growth in suburbs and towns with defense infrastructure also outpaced broader residential patterns. From 1940 to 1950, population growth in suburban areas expanded by 23.9% over the previous decade, on average (see Downs 1973, 18). In-migration to suburbs, fueled by the growth of the automobile industry, coincided with 22.9% growth in central cities (relative to the previous decade) and population declines in non-metropolitan areas (Downs, id). On one hand, most cities with major defense infrastructure experienced less pronounced growth than the national average, suggesting that population flows to central cities occurred independently of defense production. On the other hand, however, as Table 2.1 exhibits, suburban locations *with defense infrastructure* rapidly outpaced average levels of suburban growth from 1940 to 1950. This pattern holds up most consistently in areas with a sustained defense presence in 1950, including suburbs of Los Angeles, New York, Philadelphia, Hartford, Detroit, Cleveland and Dallas.

The only evidence of population decline in a war industry location occurred when defense facilities shut down after the war. Paterson, New Jersey failed to expand after the devastating closure of a major Wright Aeronautical plant following World War II (-0.2% population change). Norwich, Connecticut may have also experienced out-migration after Hamilton Standard Propellers shut down (-0.9 population change). Indeed, the discontinuation of wartime facilities corresponds with more stagnant population distributions from 1940 to 1950, particularly in areas that may have disproportionately relied on defense capacity for local economic vitality

and residential expansion. Specifically, more lightly settled areas that attracted new Boeing facilities outside of Seattle, Washington—Aberdeen, Bellingham, Hoquiam, Everett, Chehalis and Tacoma—exhibit considerably less pronounced growth in 1950 than the central city of Seattle (27% population growth). However, nearly all of Boeing's branch plants had shut down in the postwar era, catalyzing the (temporary) retrenchment of industrial capacity and employment in these regions. The only Boeing branch plant that did not close in the period immediately following World War II is the facility in Renton, several miles from the home plant in Seattle. Unlike surrounding regions that faced dormant capacity in the post-war era, Renton enjoyed both continual utilization of its Boeing plant and had expanded its resident base by 257% in 1950.

Finally, direct government investments in cities that lacked defense infrastructure prior to World War II experienced appreciable expansion. The populations in Phoenix (63% population growth), Dallas (47% population growth) and Fort Worth (57% population growth) grew at faster rates than other cities of comparable size, such as Hartford (6.7%), Buffalo (0.7%) and Seattle (27%). While cities throughout the South and Southwest generally experienced disproportionate population growth after World War II, prompted in great part by the development of air conditioning, the average Southern cities grew by 35.9% between 1940 and 1950 (U.S. Census of Population, 1950). By contrast, Southern cities with major defense installations—Phoenix, Dallas and Fort Worth—grew at faster rates than the average for the region. Still, none of these cities grew as rapidly as the smaller town of Grand

Prairie, Texas (815% population growth), where government bought and leased a major bomber assembly plant during the war.

Defense industry expansion facilitated decentralization of military production, disproportionately affecting interior regions of the country, as well as suburbs, towns and small communities on the outskirts of large cities. The population surges in suburbs, towns and regions that lacked previous infrastructure suggest that establishing plants in areas with less developed economies generates a disproportionate impact on local development. Furthermore, as I argue at greater length in Chapters 3 and 4, the existence of defense facilities in areas with less diverse economies also inadvertently increases local dependencies on the ongoing flow of defense revenue in these areas.

Despite substantial demobilization of industry in 1945, major companies generally retained their central locations after the war (see Appendix 2.1). In 1950, at the onset of the Cold War defense build-up, numerous branch plants re-opened outside of central cities (Appendix 2.1) and government bureaus sponsored the re-utilization of facilities in interior locations that the private sector had abandoned (Appendix 2.3). Continued government ownership of facilities throughout the Great Lakes, Midwest and Southern regions in 1950 suggests a persistent federal interest in the industry's dispersion and expansibility. As I argue in the following section, this also laid the foundation for either economic revitalization or decay, based on both the economic vulnerability of an area and whether defense industries expanded their operations or downsized their major facilities.

Defense Industry Expansion: Dispersing Economic Benefits

Breaking a 150-year tradition, the United States did not fully demobilize its armed forces after World War II. Rather, despite the considerable retrenchment in 1945, the U.S. maintained a military establishment of immense proportions by any historical standards (Higgs 2006, 30). As a result, in 1950, President Truman was able to call upon U.S. forces stationed overseas, utilize existing weaponry and independently engage troops in Korea. U.S. entrance in the Korean War and the nation's broader struggle against the Soviet empire facilitated massive military rearmament and a culture of peacetime military spending. At the same time, the Cold War environment created tremendous demand for munitions from private defense industries.

Military spending in the post-war era followed cyclical trends, generally increasing during major wars and declining following periods of armed conflict.[73] The defense budget hit relatively low ebbs following U.S. withdrawal from the Vietnam War in the mid-1970s and again after the collapse of the Soviet Union during the reduced threat era of the 1990s. However, U.S. defense expenditures also increased and receded relative to a substantially higher baseline in the decades following World War II than throughout the nation's prior history (see Chapter 5 for figures on historical procurement expenditures).

Prior to the war, the bulk of arms production took place in government arsenals and shipyards. Military officials advertised bids for products from the private sector, and the military purchaser awarded the contract to the lowest bidder. By one

[73] There are several notable exceptions to this trend, which I discuss at greater length in Chapter 5.

estimate, 87% of defense contracts followed these competitive procedures in early 1940, just prior to U.S. defense build-up (Smith 1959, 72). In September 1940, however, Congress passed new procedures for defense contractors that continue to govern military procurement processes. Specifically, Congress authorized guaranteed cost-plus profits, tax breaks, advance and progress payments, negotiated contracts (as opposed to full and open competition) and government financing of plants and equipment. These factors encouraged industries to continue producing weaponry as quickly as possible, regardless of expense.

As a result of these arrangements, the U.S. military industry consists of close relations between a few major sellers and a sole government buyer. Unlike traditional free markets, these unique buyer-seller relationships are governed by procedures that limit private risk and curb market competition (Gansler 1980). However, unlike standard monopsonies, the sole government purchaser does not seek to maximize its profits by squeezing the seller. Rather, given an appropriations process subject only to political limits, government actors are primarily concerned with quality and performance and uniquely insensitive to cost (Burnett & Scherer 1990; Gansler 1980). Critics and commentators—including 2008 presidential candidate John McCain—have railed against the waste and excess that flow from cost-plus arrangements, where contractors are reimbursed for program expenses and typically lack incentives to cut costs.[74] However, government willingness to cover potential

[74] For example, in the first 2008 presidential debate, presidential candidate John McCain admonished the cost-plus incentives that characterize defense contracting: "...We have to do away with cost-plus contracts. We now have defense systems that the costs are completely out of control. We tried to build a little ship called the Littoral Combat Ship that was supposed to cost $140 million, ended up costing $400 million, and we still haven't done it. So we need to have fixed-cost contracts…We have to get a lot of the cost overruns under control." Quoting John McCain, in *New York Times* 2008 (September 26), Transcript of First Presidential Debate: Election 2008.

cost overruns and provide various financial incentives to industry may be an inherent feature of the defense market. Extensive use of cost-plus arrangements encourages bids for high-risk endeavors favored by Congress and defense bureaucracies, including research and development and procurement of complicated weapon systems with unpredictable cost margins.

In addition to procurement policies that bolster industry profits, most defense contracts are determined on the basis of political and administrative criteria other than open competition among two or more defense companies. Sole-source awards, follow-on contracts and 'negotiated' bids determine the bulk of defense allocations, while only 34.4% of defense dollars are allocated based on full and open price competition (based on data from the 2000 – 2008 fiscal year).[75] The prevalent use of negotiated bids, cost-plus incentives and high costs to market entry (limiting the number of viable competitors) have contributed to the longevity and prominence of major defense firms, despite periods of reduced threat and changing procurement needs.

Table 2.1 lists the leading defense firms in each decade from 1940 to 2006.[76] As the table illustrates, nearly all of the leading military corporations in the 1940s and 1950s—excluding companies with a principal civilian function such as energy or

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[75] OMB Watch, Fedspending.org, Federal Contracts of the Department of Defense, FY2000-2008 Summary. Accessed at http://www.fedspending.org/fpds/fpds.php?sortby=u&maj_agency_cat=97&detail=-1&datype=T&reptype=r&database=fpds&fiscal_year=&submit=GO (updated May 28, 2009)

[76] I compiled the information in the tables with data from Burnett & Scherer (1990, 293), utilizing dollar volume of prime contract awards, 1940 – 1987; U.S. Department of Defense, Statistical and Information Analysis Division (SIAD), Procurement Reports and Data Files for Download: Historical Data; also see Patillo (1998), utilizing Fortune 500 rank, sales and number of employees, 1967, 1989.

automobiles—continue to rank as leading defense firms in the 1990s and 2000s. Further, these companies all retained their prominence through extensive industry mergers and acquisitions. Lockheed Aircraft, Martin Corporation, Douglas Aircraft and Grumman underwent strategic mergers, forming Lockheed Martin, McDonnell-Douglas and Northrop Grumman, respectively. United Aircraft became United Technologies in the 1970s and retained its principal World War II production units, including Sikorsky Aircraft, Hamilton Propellers and Pratt & Whitney. McDonnell Douglas, Lockheed and General Dynamics acquired Consolidated-Vultee's major business units, while General Dynamics purchased the defense divisions formerly held by leading auto companies like General Motors and Chrysler. Boeing Aircraft acquired North American and Rockwell products in the 1996, merged with McDonnell-Douglas the following year (under the name The Boeing Company) and retained prominence as the #2 aerospace firm, ranked behind only Lockheed Martin. The one major exception to the pattern of industry stability is the decline of the Curtiss-Wright Corporation in the 1960s, which Gholz (2000) attributes to antagonistic relations between the firm and the Defense Department bureaucracy.

Table 2.2. Leading Defense Firms by Prime Contract Dollars, 1944-2006 (by decade)

Rank	World War II (1940-44)	Notes	Korean War (1951-53)	Notes
1	General Motors	civilian function (auto)	General Motors	civilian function (auto)
2	Curtiss-Wright	lost prominance in aerospace, specialized as supplier	Boeing	merged with McDonnell Douglas
3	Ford Motor Co.	civilian function (auto)	General Electric	civilian function (energy)
4	Consolidated-Vultee	absorbed by General Dynamics, McDonnell Douglas & Lockheed	Douglas	merged with McDonnell
5	Douglas	merged with McDonnell	United Aircraft	became United Technologies
6	United Aircraft	became United Technologies	Chrysler	civilian function (auto)
7	Bethlehem Steel	civilian function (steel, shipbuilding, mining)	Lockheed	merged with Martin Marietta
8	Chrysler	civilian function (auto)	Consolidated-Vultee	absorbed by General Dynamics, McDonnell Douglas & Lockheed
9	General Electric	civilian function (energy)	North American	absorbed by Boeing
10	Lockheed	merged with Martin Marietta	Republic Aviation	absorbed by Fairchild
11	North American	absorbed by Boeing	Curtiss-Wright	lost prominance in aerospace, specialized as supplier
12	Boeing	merged with McDonnell Douglas	Ford	civilian function (auto)
13	AT&T	civilian function (telecommunications)	AT&T	civilian function (telecommunications)
14	Martin	merged with American Marietta, Lockheed	Westinghouse	civilian function (electricity)
15	Dupont	civilian function (chemicals)	Grumman	merged with Northrop

Table 2.2, continued

Rank	1960	Notes	1976	Notes
1	General Dynamics	absorbed Chrysler & General Motors defense divisions	Lockheed	merged with Martin Marietta
2	Lockheed	merged with Martin Marietta	North American-Rockwell	absorbed by Boeing
3	Boeing	merged with McDonnell Douglas	General Dynamics	absorbed Chrysler & General Motors defense divisions
4	McDonnell	merged with Douglas	General Electric	civilian function (energy)
5	North American	absorbed by Boeing	McDonnell Douglas	merged with Boeing
6	Martin	merged with Lockheed	Grumman	merged with Northrop
7	United Aircraft	became United Technologies	AT&T	civilian function (telecommunications)
8	AT&T	civilian function (telecommunications)	United Aircraft	became United Technologies
9	RCA	absorbed by GE	Boeing	merged with McDonnell Douglas
10	Douglas	merged with McDonnell	Litton	absorbed by Northrop Grumman
11	Hughes	merged with General Motors	LTV	absorbed by Lockheed Martin
12	Raytheon	missiles	Hughes	merged with General Motors
13	Sperry-Rand	civilian function (electronics); absorbed by Northrop Grumman	Sperry-Rand	civilian function (electronics); absorbed by Northrop Grumman
14	IBM	civilian function (telecommunications)	Textron	absorbed Bell Helicopter, Cessna Aircraft, Lycoming Engines
15	Republic Aviation	absorbed by Fairchild	Westinghouse	civilian function (electricity)

Table 2.2, continued

Rank	1987	Notes	1996	Notes
1	McDonnell-Douglas	merged with Boeing	Lockheed Martin	absorbed LTV
2	General Dynamics	absorbed Chrysler & General Motors defense divisions	McDonnell-Douglas	merged with Boeing
3	Lockheed	merged with Martin Marietta	General Motors	civilian function (auto)
4	General Electric	civilian function (energy)	Raytheon	absorbed Chrysler & General Motors
5	General Motors-Hughes	merged with Raytheon	General Dynamics	defense divisions
6	Martin Marietta	merged with Lockheed	Northrop Grumman	Merger
7	United Technologies	retained Sikosky Aircraft, Hamilton Propellers, Pratt & Whitney	United Technologies	retained Sikosky Aircraft, Hamilton Propellers, Pratt & Whitney
8	Raytheon		Boeing/ Boeing North America	acquisition; merged with McDonnell Douglas
9	Rockwell	absorbed by Boeing	Litton	absorbed by Northrop Grumman
10	Boeing	merged with McDonnell Douglas	General Electric	civilian function (energy)
11	Grumman	merged with Northrop	Westinghouse	civilian function (electricity)
12	Unisys	Information Technology	Textron	absorbed Bell Helicopter, Cessna Aircraft, Lycoming Engines
13	Tenneco	civilian function (auto parts)	SAIC	information technology
14	Litton	absorbed by Northrop Grumman	United Defense	merger of FMC & Harsco, absorbed by BAE
15	Honeywell		TRW	Missiles

Table 2.2, continued

Rank	2006	Notes
1	Lockheed Martin	absorbed LTV
		merger (McDonnell-Douglas), absorbed
2	Boeing	Rockwell, North American
3	Northrop Grumman	absorbed Litton, Sperry-Rand
		absorbed Chrysler & General Motors
4	General Dynamics	defense divisions
5	Raytheon	
6	Halliburton	oil and gas
	L-3	
7	Communications	Information Technology
8	BAE Systems	absorbed United Defense
	United	retained Sikorsky Aircraft, Hamilton
9	Technologies	Propellers, Pratt & Whitney
10	SAIC	Information Technology
11	Computer Sciences	Information Technology
12	Humana	Health care
13	ITT	High-tech engineering & manufacturing
14	General Electric	civilian function (energy)
15	Honeywell	

Sources: U.S. Department of Defense, Statistical Information & Analysis Division (SIAD), Procurement Statistics, 100 Companies Receiving the Largest Dollar Volume of Prime Contract Awards (various years); Burnett & Scherer (1990), p.293; Patillo (1998)

At the same time, a few new firms have also emerged as leading military corporations. Raytheon, Honeywell and TRW gained prominence for specialization in missile production during the 1980s and 1990s. In the late 1990s and 2000s, the Department of Defense began to draw heavily upon companies with expertise in information technology, including Science Applications International Corporation (SAIC), L-3 Communications and Computer Sciences.

The information in the table suggests that negotiated bids and subsidized industry restructuring operate to keep major companies profitable, but only through increased market concentration. Indeed, while the top 20 defense firms procured 50% of the total defense dollars allocated in the 1980s, by 2006, the top 10 defense industries acquired nearly 40% of defense procurement expenditures.[77] Defense industries faced with over-capacity and under-utilization can remain profitable through subsidized mergers and acquisitions, which make it easier to avoid decreasing prices or going out of business by increasing market concentration and limiting the number of viable competitors. Consequently, several potential problems have emerged: Gholz and Sapolsky (1999-2000) argue that a stream of defense industry mergers in the 1990s exacerbated excess capacity, which contributed to inefficient production methods and excessive government spending. Gansler (1980, 26) suggests that defense industry stability in the post-Vietnam period (when the defense sector faced declining procurement budgets) contributed to chronic under-utilization of resources, financial and labor problems, billions of dollars in pending

[77] Compare Markuson et al.'s (1991, 34) figures on defense procurement during the 1980s with U.S. Department of Defense, SIAD, Top 100 Companies and their Subsidiaries, FY2006. Accessed at http://siadapp.dmdc.osd.mil/procurement/historical_reports/statistics/p01/fy2006/P01FY06-Top100-table2.pdf

procurement claims, a dearth of available suppliers and U.S. dependence on foreign military sales.

Many scholars portray mutually beneficial relations between major firms, government bureaucracies and key congressional actors as a detriment to the average citizen, by suggesting that the elites charged with policy-making reap substantial benefits at the expense of American taxpayers that foot the bill (see Adams 1982; Higgs 1990, 2006a; Wheeler 2004; Hossein-zadeh 2006). However, this view of public burdens both eclipses the systematic extension of defense dollars across increasing regions, states and localities and obscures the economic and political importance of these distributions across key localities.

To examine these trends, I compiled a database with information on defense procurement distributions to U.S. cities and towns from 1966 to 2006 (by decade). These data allow me to assess the extent of localized benefits that defense contracting has generated over several decades, and to gauge the importance of the defense industry across local economies and geographic regions. I extracted the contracting data from the U.S. Department of Defense Statistical Information & Analysis Division. However, the raw procurement information at the DoD website is sorted by contract identification number rather than by location. This yields hundreds of thousands to millions of entries per year. To aggregate the data in useable format, I worked with a computer programmer to write a script that parsed the information according to place, county and state Federal Information Processing Standards (FIPS) codes (currently labeled American National Standards Institute (ANSI) codes). Since the FIPS codes were not standardized until 1980, I corrected all of the codes for the

1966 and 1976 fiscal years. Problems with inexact syntax and missing data yielded hundreds of missing entries per year, which I recoded by hand. In cases where a place no longer exists or lacks a FIPS code, I coded the entry based on information from an adjacent area. Based on these aggregations, the number of FIPS designated places that received defense contracts in a given year ranges from 5,334 in FY1976 to 15,508 in FY2006. (Puerto Rico, Guam and other non-U.S. territories were excluded from the analysis.)

In the previous section, I suggested that defense allocations are likely to exert a disproportionate impact in regions and localities with less overall economic development. During World War II, the modest flow of defense dollars to peripheral locations such as El Segundo, Glendale and Hawthorne had a greater impact on population growth than primary defense distributions in the central city of Los Angeles. Further, as shown in the previous section, the establishment of new government-owned facilities in developing regions such as Phoenix, Arizona and Fort Worth, Texas corresponded with disproportionate growth relative to more industrious Northeastern cities of comparable size and also exceed the growth of other Southern cities. All of this suggests that the post-war survival of a major facility is far more critical to economic welfare in a newly industrializing area such as Bethpage, New York (a previously unincorporated, agricultural community on Long Island) than in an economically diverse urban hub such as New York City.

As a gauge for local and regional economic diversity, I apply a measure of population density per county. Specifically, lower levels of population density indicate less industrial diversity, and hence, greater reliance on the defense sector of

the economy for local employment and revenue. Economics research commonly recognizes the link between population density and economic development. Dense cities—not simply cities—increase labor productivity (Ciccone & Hall 1996), spur human capital and knowledge transfers, facilitate external economies of scale and draw more diverse industries (Jacobs 1969; Lucas 1988; Bryan et al. 2007).[78] The United States Department of Agriculture (USDA) Economic Research Service reports that many rural areas—defined by lightly settled development patterns—face fewer employment opportunities and more stunted economic growth, increasing economic dependencies in these regions.[79] Indeed, nonmetro, rural areas commonly bid for government facilities—such as prisons—which have in turn become economically important for many rural areas (Beale 1993, 1996; Carlson 1995).

To verify the validity of the proxy, Figures 2.1a - 2.1b contain a logarithmic scale of industrial diversity and population density by county. I apply Mack et al.'s (2007) diversity index (the CS-Index), which incorporates a multivariate measure tapping into county-level resources, educational attainment and levels of entrepreneurship.[80] While the CS-Index incorporates 2000 Census data at the county level, using population density as an alternative metric for economic diversity allows me to gauge defense-dependency over previous decades. In Chapter 3 and 4, I also

[78] External economies of scale are achieved when an industry's scope of operation expands and decreases costs for a company working within that industry.

[79] By contrast, some rural areas that benefit from greater natural resources do experience economic transformation along with rapid population growth. The correspondence between economic vitality and increased residency suggests that some areas do gradually urbanize by developing more attractive markets, largely affirming the rural/urban disparities that scholars address.

[80] Variables in the CS-Index include employment, population, net personal income, residence adjustment and proprietors' income by county.

use population density to examine economic dependence at the congressional district level.

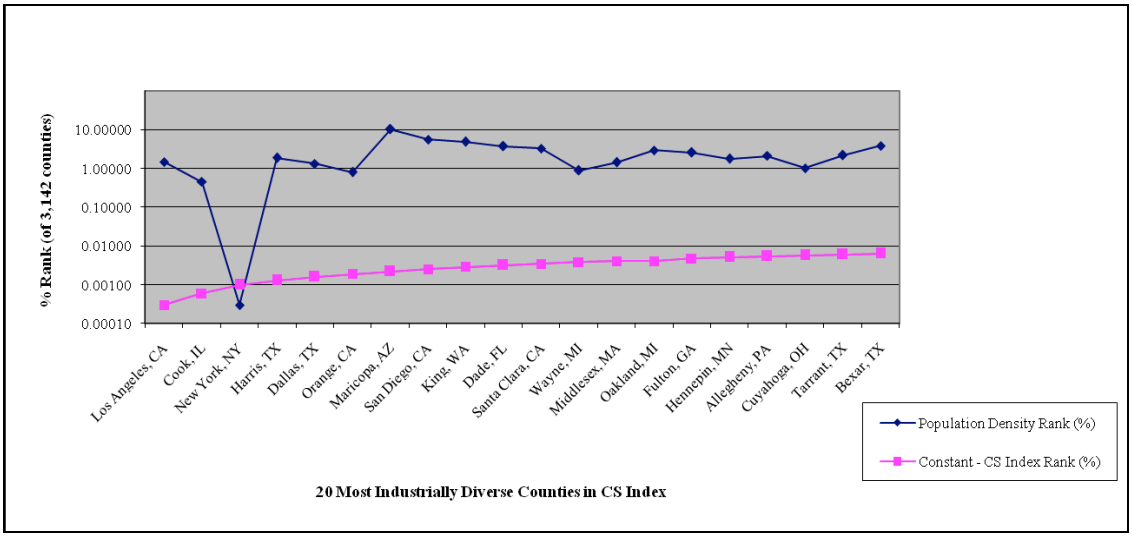

Figure 2.1a – Logarithmic Scale of Industrial Diversity & Population Density by County

As shown above in Figure 2.1a, the top three most industrially diverse counties according to the CS-Index—Los Angeles (CA), Cook (IL), and New York (NY)—are all in the top 1% of the most densely populated U.S. counties. At the same time, the twenty most industrially diverse counties in the CS-Index are all within the top 10% of counties with the highest population density, indicating a 99.9% - 90% correlation between industrial diversity and population density. Furthermore, Figure 2.1b (below) illustrates that the least industrially diverse counties in the CS-Index demonstrate an even closer approximation to the counties with the lowest population density. The three least industrially diverse U.S. counties in the CS-Index—Sherman (OR), Loving (TX) and King (TX)—are within the top 0.10% most sparsely

populated counties. The twenty least industrially diverse counties in the index fit the same criteria (i.e., 99.9% correlation).[81]

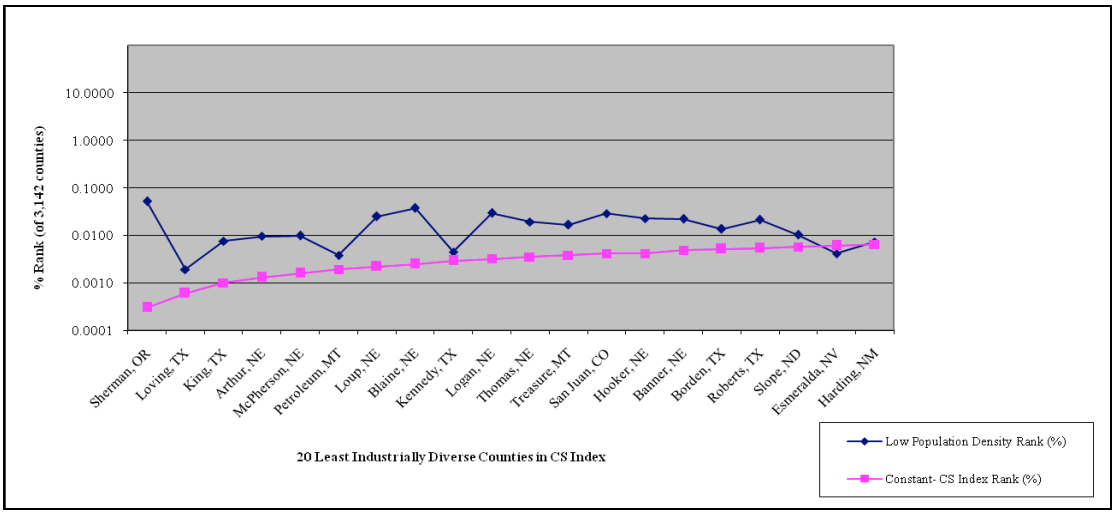

Figure 2.1b – Logarithmic Scale of Low Industrial Diversity & Low Density by County

Given the similarity of the measures—and the enhanced availability of population density data both over time and across geographic units—I use population density as a proxy for industrial diversity, where lower levels indicate greater economic homogeneity and disproportionate reliance on local defense industries. I consulted the U.S. Census Bureau for information on county population from 1960 to 2005 as well as land area per square mile. I used these figures to compute the population density (population/land area per square mile) for each U.S. county in every decade. I coded the population density for 3,142 counties, including boroughs and parishes in Alaska and Louisiana, respectively. I applied Geographic Information System (GIS) software to map the geographic allocation of defense dollars and

[81] When I exclude all of the boroughs in Alaska from the analysis low industrial diversity and low density exhibit even closer correlation (>99.9%).

projects per place in relation to the county-level population density from 1966 to 2006.[82]

Like World War II military mobilization, the early stages of the Cold War facilitated an unprecedented dispersion of dollars and projects across increasing states, cities and towns. Policymakers in the Truman administration viewed military appropriations not only as an instrument to counter Soviet aggression, but also as a means to ensure full employment, smooth out the business cycle and relieve distressed areas (Schulman 1991, 136). Despite Eisenhower's suspicions of the military-industrial complex, and his fear that military spending exacerbates deficits and strains the private economy, the defense establishment expanded in both size and scope in the late 1950s and the early 1960s.

At the onset of the Cold War, policymakers and defense bureaucracies incorporated Keynesian techniques pioneered in Roosevelt's New Deal, using military appropriations to stabilize and stimulate the economy (Schulman 1991, 135-174). However, like the structured defense expansion in 1944, the geography of 1960s military spending is not simply a product of political and economic decisions; it also rooted in pre-established defense sector development.

To examine these trends, Figures 2.2 – 2.6 display the allocation of defense dollars from 1966 to 2006 (per decade).[83] As Figure 2.2 illustrates, the distribution of

[82] While measuring population density per county offers less precision than a smaller unit of analysis such as FIPS places or zip codes, it is also easier to visualize county-level data alongside defense contract distributions in cities in towns. Further, counties are less subject to definitional changes, offer more accessible information and represent more stable units over time than FIPS places.

[83] Appendices 2.4 – 2.8 exhibit the number of defense contracts allocated per place during the same time period. Although the allocation of defense projects reveals wider distributions than the dollar amount, both metrics of defense distributions exhibit similar geographic trends in military procurement over time.

defense dollars in FY1966 extend across every state and a preponderance of counties, while clustering disproportionately around major World War II contracting sites on the Eastern and Western coasts, the Great Lakes region and in several key locations in the South. In fact, most of the predominant World War II defense contracting sites—New York City, Los Angeles (Lockheed, North American, Douglas), Wichita (Boeing), St. Louis (Curtiss-Wright), Dallas-Fort Worth (Lockheed, North American Consolidated-Vultee), Marietta (Bell), Philadelphia, Seattle (Boeing), and East Hartford (United Aircraft)—had retained World War II military infrastructure and continued to draw the largest concentrations of defense dollars two decades after the war. Despite subsequent declines in the Great Lakes and the industrial Northeast, major manufacturing cities—including Buffalo (Curtiss-Wright), Cleveland (Martin), Cincinnati (Ford), Columbus (Chrysler), Detroit (GM), Chicago, Baltimore (Martin) and Indianapolis (GM)— continued to rank as leading defense locations during the Kennedy/Johnson years.

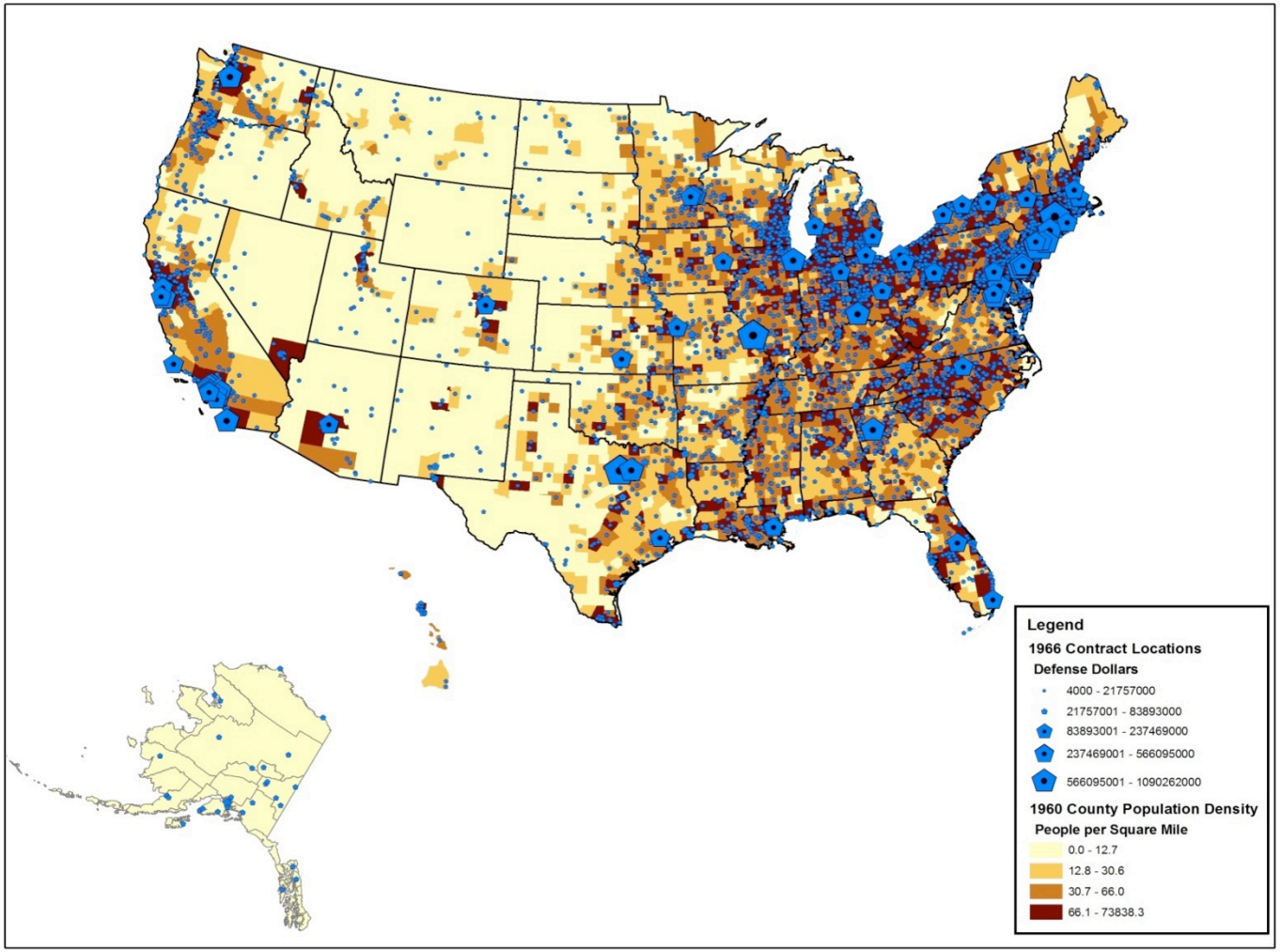

Figure 2.2 – Allocation of 1966 Defense Dollars

At the same time, Figure 2.2 also suggests that many surrounding regions and communities outside of these urban areas developed their local economies based largely on the presence of defense infrastructure: Bethpage, Oyster Bay and Farmington (outside New York City) Sunnyvale, Burbank, Anaheim, Long Beach, Culver City (near Los Angeles), Morton and Ridley Park (adjacent to Philadelphia), Smyrna and Kennesaw, located adjacent to Dobbins Air Force Base and the Atlanta Naval Station (near Marietta), communities surrounding McConnell Air Force Base, Fort Riley and Fort Leavenworth (outside Wichita), Fort Leonard Wood and Independence (outside St. Louis), Grand Prairie, Garland, Irving and Addison (near Dallas-Fort Worth), Southington, East Windsor and Bloomfield (near Hartford), and Renton, Bellevue and Tukwila (surrounding Seattle) developed as major contracting sites based on the constant flow of smaller increments of defense dollars. The only new locations that emerged as predominant contracting sites in 1966 and lacked major World War II infrastructure were Orlando and Patrick Air Force Base (in Florida) and Denver and Colorado Springs, Colorado.

In addition to the inertial effect of World War II military mobilization on the Cold War defense economy, congressional politics and economic development played a significant role in the allocation of defense dollars in the South. During the Great Depression, the South was an overwhelmingly agrarian region within an industrialized nation. However, government investments in defense infrastructure during and after World War II laid the foundation for an industrial Southern economy in a post-war era. In the decades following World War II, Southern Democrats in the

House and Senate vied for military contracts as a basis for revitalization of their regional economy (see Zelizer 2009). By 1956, southerner William Faulkner declared that: "Our economy is no longer agricultural. Our economy is the Federal Government" (quoted in Schulman 1991, 135).

In the House, Speaker Sam Rayburn of Texas ran a decentralized leadership in the 1940s and 1950s, permitting powerful committee chairs to exercise unprecedented influence. Rayburn's leadership style facilitated a defense budget that was handled through the congressional committees, allowing members to assume a greater role in the procurement process. Senator Richard Russell, a Democrat from Georgia and Armed Services Committee chair from 1954 to 1968, stacked his defense committee with Democratic allies from defense-dependent states, including Georgia, Mississippi, Alabama, Texas, Washington and Missouri. House and Senate Armed Services committee members, predominantly comprised of Southern Democrats, almost uniformly adopted tough-on-defense, internationalist postures (see Zelizer 2009; Trubowitz 1998). These key legislators sought to draw military contracts to their constituencies during a period of Republican realignment and heightened electoral vulnerability. Indeed, the growth of overall defense shares throughout the Southern region is clearly visible during the 1960s and accelerated throughout the 1970s and 1980s (see Figures 2.2 – 2.4).[84]

In 1969, Mississippi Democrat John Stennis took over as chair of the Senate Armed Services Committee. In the House, Mississippi Democrat Sonny Montgomery, an ardent internationalist and defender of the national security state, served as an

[84] Also refer to Appendices 2.4 – 2.7, which illustrate a parallel trend in the number of defense contracts flowing to Southern areas.

influential Armed Services committee member. Both legislators represented Pascagoula, Mississippi, a prominent site for the naval industry by the 1970s and one of the fastest growing defense locations in the nation (see Figure 2.3, below). Alabama Senator John Sparkman played an instrumental role convincing the U.S. Army to choose Huntsville as a location for a missile research program and successfully fought to block the closure of the Redstone Arsenal during one of his earliest terms of office in 1949. Since the 1960s, Huntsville has continued to draw increasing defense profits over time, with smaller amounts flowing to Fort Rucker, Anniston, and Maxwell Air Force Base (see Figures 2.2 – 2.6).[85]

Senate Armed Services committee member John Tower, the first Republican U.S. senator from Texas since Reconstruction, oversaw military contracts flowing to Bell, Lockheed and Boeing plants in Dallas and Fort Worth from 1961 to 1985 (see Figures 2.2 – 2.4). At the same time, Grand Prairie, McKinney, Fort Hood, Fort Bliss, El Paso, Lockland Air Force Base, Garland, Corpus Christi, Plano, Hurst and Richardson continued to thrive on smaller increments of defense appropriations throughout the Cold War era (id). Representative George Mahon (D-TX, 19) represented defense-dependent constituencies in the Texas panhandle, including Lubbock and Amarillo, from 1935 to 1985. As Chairman of the Appropriations Committee, Mahon not set the defense budget, but also helped establish Reese Air Force Base (six miles West of Lubbock) and Webb Air Force Base (South of Lubbock). In Mendel Rivers' Charleston South Carolina district, federal funds

[85] Also see Appendices 2.4 – 2.8, exhibiting increased defense activity in Huntsville over time.

funneled to an air force, naval base and missile center, in addition to McDonnell Douglas, Avco, General Electric and Lockheed plants.

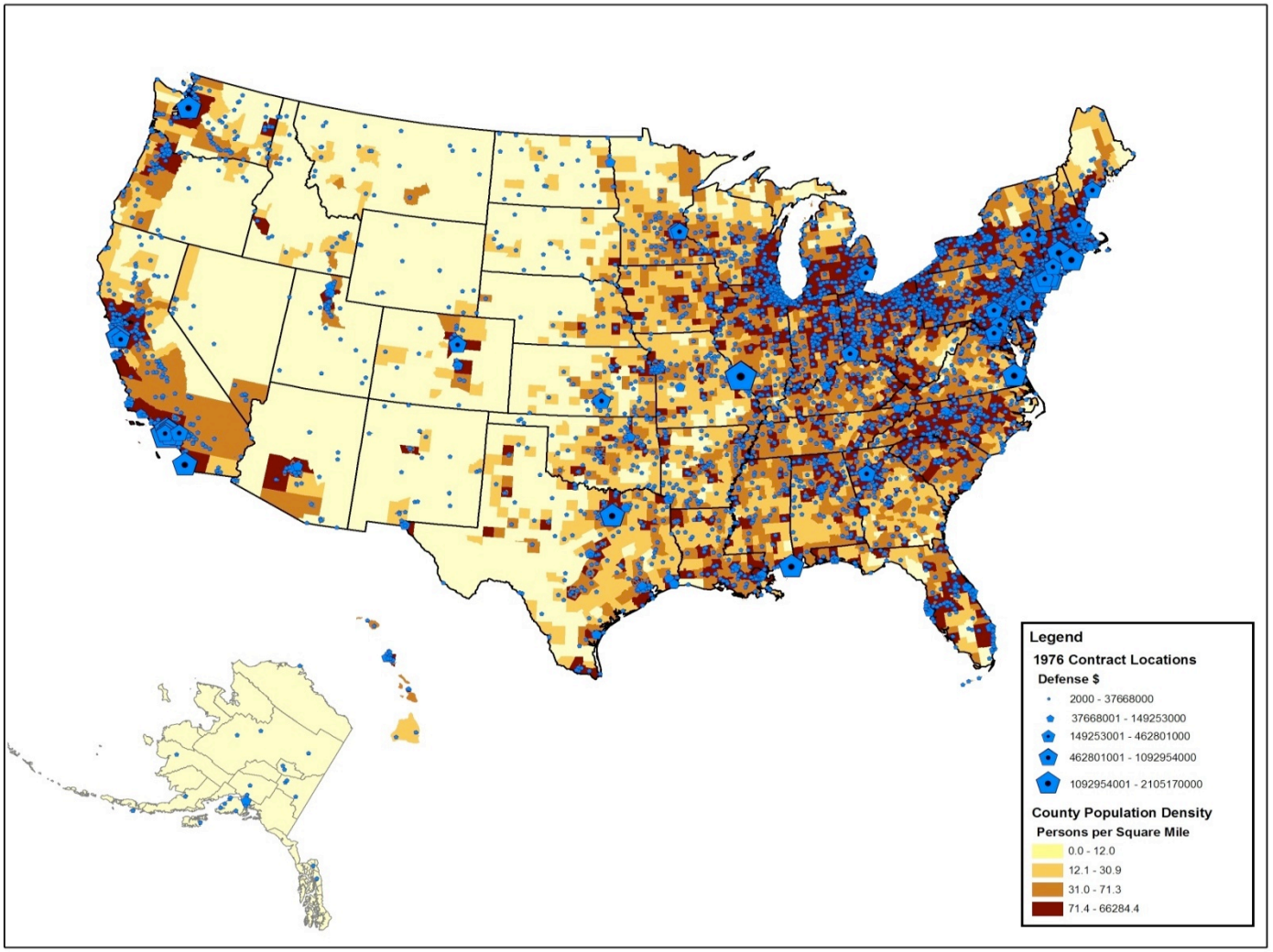

Figure 2.3 – Allocation of 1976 Defense Dollars

Scholars have argued that the transition to a military economy during and after World War II spawned a new industrial map of the United States, where regions that gained the most defense dollars have become disproportionate economic beneficiaries and regions that have lost their share of defense dollars over time have suffered considerable losses (Markuson et al. 1991). Indeed, Figure 2.3 demonstrates that, despite reduced defense spending in the 1970s, areas throughout the South and West continued to procure large concentrations of defense dollars while the Great Lakes regions and the Northeast corridor experienced the most severe procurement declines. Curtiss-Wright had closed its operations in Buffalo; Wright-Paterson Field failed to attract industry suppliers in Dayton; Chrysler lost out on missile contracts to the Air Force; and General Motors reconverted to auto production. Only Ford Aerospace succeeded as a defense supplier, after transferring production from Detroit to the Houston Space Station, California and Colorado.

Bucking the trend, however, the largest concentration of defense dollars allocated in 1976 channeled to St. Louis, Missouri, home of Curtiss-Wright Aerospace and Senator Stuart Symington, a leading Democrat on the Senate Armed Services Committee. At the same time, the data in Figure 2.3 also reveal that previously minor defense sites such as Hawthorne, Sunnyvale and Burbank (Los Angeles suburbs); Bethpage, New York (a formerly unincorporated Long Island community); Pascagoula, Mississippi; and Newport News, Virginia procured disproportionately large concentrations of defense funds, rivaling Los Angeles, Seattle, Hartford and Fort Worth in defense activity.

These patterns accelerated during the defense build-up of the 1980s. As illustrated in Figure 2.4, regions throughout the South and West continued to gain military dollars, while Great Lakes and Northeastern regions continued to suffer relative losses. Marietta, Georgia and Huntsville, Alabama emerged as leading defense recipients, along with prominent 1970s sites like Pascagoula, Bethpage, Sunnyvale and El Segundo. One scholar argues that the foreign policies advanced by Presidents Reagan and Bush reflected the political imperatives of the nation's newest industrializing regions—and the heart of the realigned Republican Party—the South and West (Trubowitz 1998, 171). Indeed, only New York, Connecticut and Massachusetts counter-balanced the strong Southern and Western currents—although upstate New York continued to experience declines. Perhaps in response to these trends, a New York delegation—comprised of Representatives Joseph Addabbo (D-NY, 5), Sam Stratton (D-NY), Thomas Downey (D-NY, 2) and Senators Al D'Amato (R-NY) and Patrick Moynihan (D-NY)—became vocal legislative advocates for (often controversial) military projects built by Grumman (in Bethpage and surrounding Long Island regions) and General Electric (in Schenectady, Binghamton and neighboring upstate New York areas) (see Higgs 2006, 176-185).

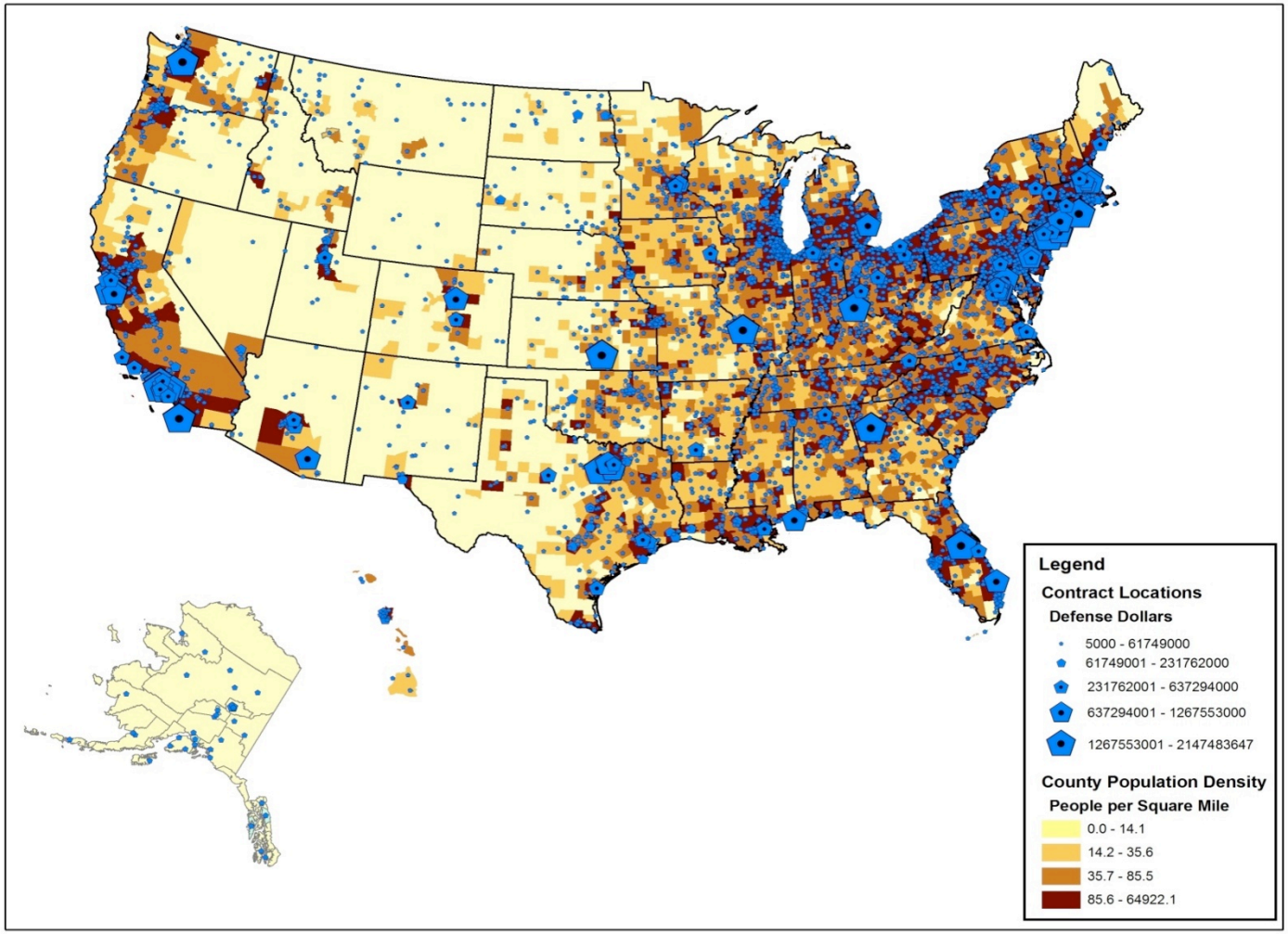

Figure 2.4 – Allocation of 1986 Defense Dollars

Despite moderate defense reductions after the collapse of the Soviet Union and the end of the Cold War, most places faced a period of stagnated defense activity. Few areas faced considerable retrenchments. In fact, as Figures 2.5 shows, the most significant losses almost uniformly occurred in the Northeast and Midwest, particularly in Troy, Michigan, Cleveland, Ohio and along the Northern Atlantic coast. Arlington, Virginia, Huntsville, Alabama and Grand Prairie and Lewisville, Texas even acquired relative gains. Given the reduced threat environment of the 1990s, the size and scope of these defense allocations suggest that the defense budget is not only expansive; procurement allocations are also systematic. The constituencies in the South and West have continuously benefited from military contracting, while averting most of the losses.

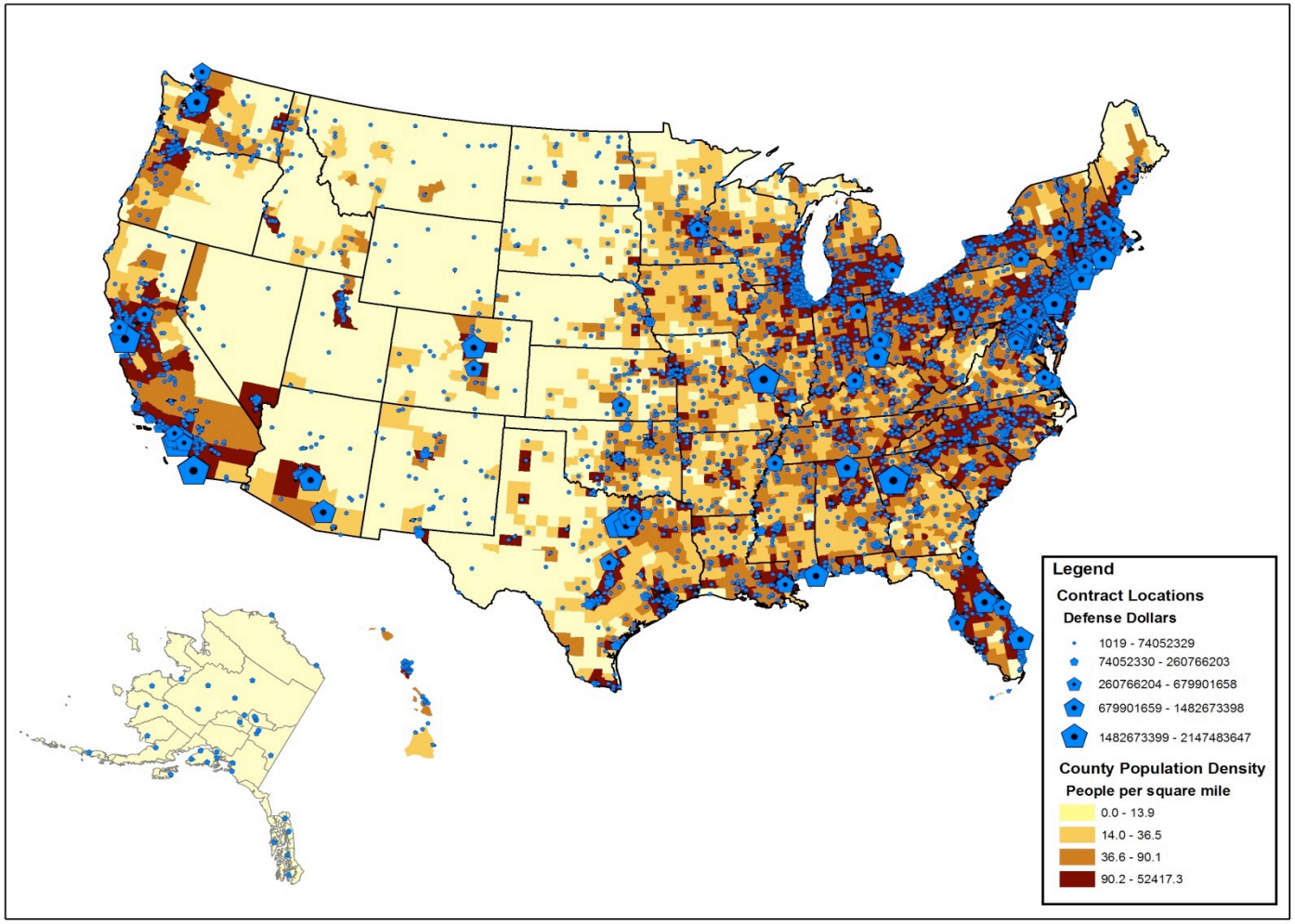

Figure 2.5 – Allocation of 1996 Defense Dollars

There are a number of factors that might explain the unequal allocation of benefits and geographically targeted defense cuts: First, the 1990s marks a strategic shift to procurement of radar equipment, telecommunications and electronics. The Department of Defense favors companies best adapted to emerging military needs, including Lockheed Martin, Boeing and Northrop Grumman, as well as new technologically adept firms like Raytheon and TRW. During the 1990s, these industries conducted many of their operations in Northern Virginia, allowing for strategic proximity to the Pentagon and influencing contract distributions in McClean, Arlington, Falls Church and Manassas. Major firms also clustered around key areas in the South and West with pre-existing defense infrastructure, including Huntsville, Fort Worth and Grand Prairie. These patterns in the re-location of military appropriations during this time period correspond with arguments that the assembly-line auto culture of the Midwest locked out aerospace companies in the early Cold War years and operated as an impediment to defense activity in the region (Markuson et al. 1991, 62-68).

Second, there may be political and economic reasons why policymakers, defense bureaus and defense industry managers favor certain geographic entities over others. Industries are likely to benefit from economies of scale by concentrating production efforts in key areas. While Southern locations provide access to airfields, military bases and coastal proximity, defense companies have also enjoyed strong political support in Southern states and districts—including legislative advocacy for military programs, representation on defense committees and direct access to defense bureaucracies. Many scholars have demonstrated that, throughout the Cold War,

industrializing areas in the post-war South relied on military contracts for economic growth to a greater extent than fully industrialized regions (Wright 1986; Schulman 1991). Not surprisingly, these economic imperatives influenced political preferences and legislative strategies in the region (Schulman 1991; Trubowitz 1998; Zelizer 2009). Defense industries may choose where to concentrate production efforts with this political climate in mind. In any event, regardless of the motivations influencing defense locations, evidence indicates that industry and government decisions to concentrate defense production in more economically reliant regions influences subsequent political strategies.

Following the 1990s stagnation, the twenty-first century U.S. War on Terror coincided with enormous growth in defense contracting. Figure 2.6 illustrates the pronounced rise of defense allocations, not only in size but also in scope. Larger defense shares spread into Desert, Mountain and Great Plains regions with relatively little defense infrastructure. Perhaps most stunningly, the relative increase in the number of defense contracts distributed substantially outpaced the growth of defense dollars allocated in 2006 (also see Appendix 2.8). Dispersing contracts at a greater rate than dollars effectively divides up the defense pie into smaller pieces, spreading projects more thinly but also across greater numbers of constituencies. The allocation of defense dollars remains highly concentrated in historically predominant defense sites, with smaller appropriations increasingly spread across more rural locations.

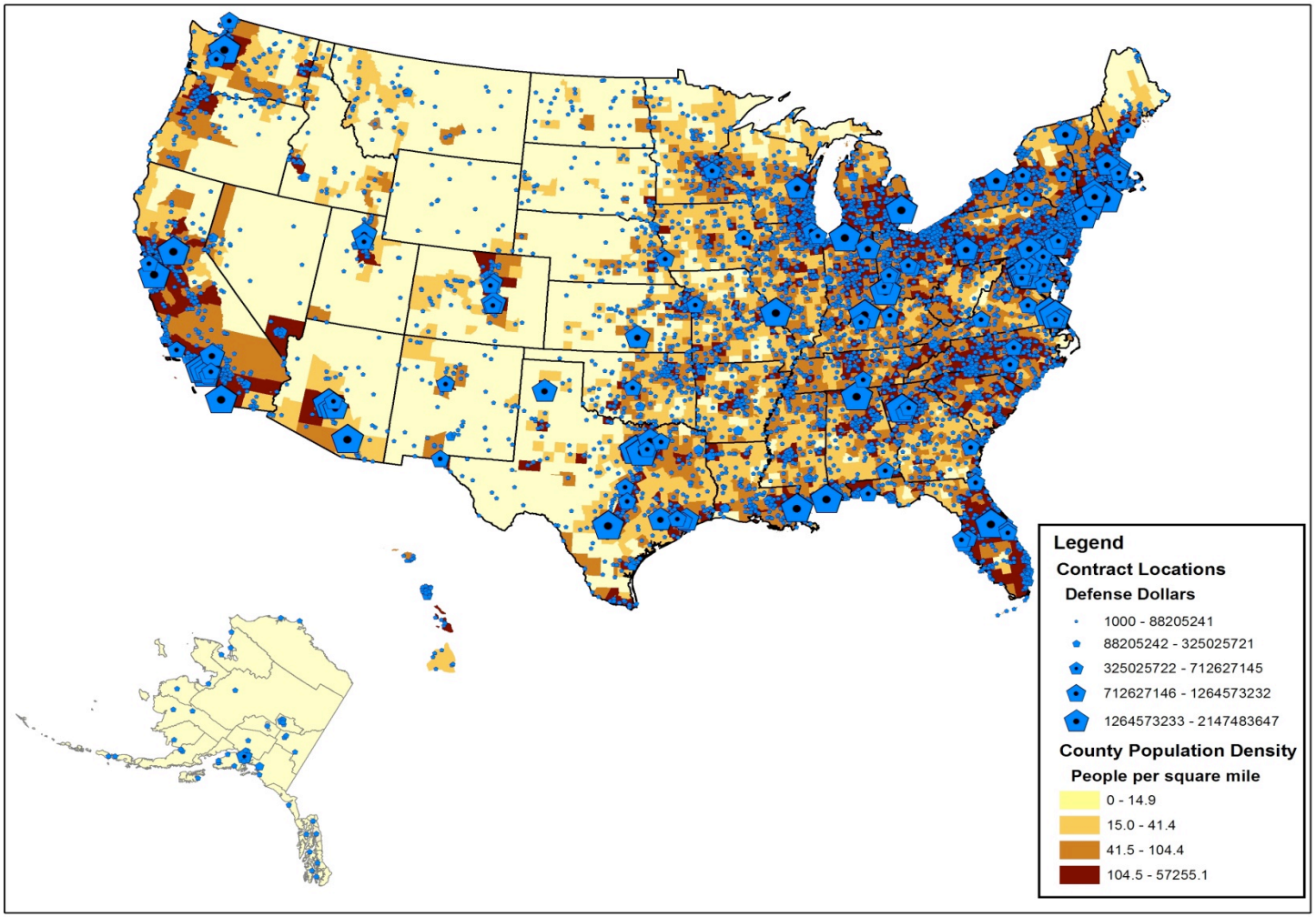

Figure 2.6 – Allocation of 2006 Defense Dollars

While most locations experienced greater defense activity in 2006, military contracts exploded in Corpus Christi and Amarillo, Texas, Fort Lewis, Washington, Fort Bragg, North Carolina and Newport News, Virginia—even relative to 1980s allocations. Despite a decline in national defense shares in the Northeastern and Midwestern regions, Figure 2.6 demonstrates that large concentrations of federal funds flowed to Northrop Grumman's headquarters in Bethpage, New York (former home to Grumman Aircraft Engineering); Raytheon headquarters in Tewksbury and Waltham, Massachusetts; a major Boeing plant in Ridley Park, Pennsylvania, and General Dynamics facilities in Sterling Heights, Michigan and Dayton, Ohio.

Finally, Figure 2. shows that the most sparsely populated areas of the nation—Desert, Mountain and Plains states—increased their shares of military contracts at greater rates than previous decades. Increased levels of defense dollars and projects flowed to defense plants located near air force bases, airfields, missile ranges in Utah (Clearfield, Hill AFB), Colorado (Littleton, Colorado Springs, Peterson AFB), New Mexico (Kirtland AFB, White Sands Missile Range and Albuquerque), Oklahoma (Tinker AFB, Oklahoma City), Hawaii (Hickam AFB) and Alaska (Anchorage, Elmendorf AFB). As I discuss at greater length in Chapters 3 & 4, the ongoing expansion of the U.S. military industry not only stimulates economic activity and development in more sparsely populated areas—the post-war South, suburbs and towns, and most recently, desert and mountain areas—but also generates and intensifies economic dependencies on military contracts in these areas.

Most strikingly, the figures show that throughout the Cold War, defense contracting extended to increasing numbers of regions and localities, regardless of the

amount of procurement funds available. The number of cities, towns and communities that received defense contracts increased three-fold over four decades—from over 5,000 locations in 1966 to more than 15,000 places in 2006—even though the amount of 1966 defense outlays is roughly equivalent to 2006 expenditures (see chapter 5 for historical defense spending figures). Despite declines in the procurement budget following U.S. withdrawal from the Vietnam War during the 1970s, the number of places that received defense contracts in 1976 paralleled 1966 allocations, when policymakers contended with an alleged missile gap and passed the Gulf of Tonkin resolution authorizing the Vietnam War (n=5,334 in 1966; n=5,534 in 1976). Perhaps more strikingly, after the Cold War, during the reduced threat years of the 1990s, the number of places that received defense contracts rivaled the number of defense contracts recipients during the Reagan build-up of the 1980s (n=8,113 in 1986; n=8,071 in 1996). While defense procurement spending in the 1980s exceeded 2006 expenditures by a slight margin, the number of places that received defense dollars and contracts nearly doubled in 2006, during the Iraq War (n=15,508).

While the proliferation of defense benefits gives greater numbers of constituencies some stake in the status of the military industry, there is reason to suspect that the impact of defense distributions varies considerably in different economic contexts. Smaller increments of the defense budget—tens of thousands, or even tens of millions of dollars per year—are unlikely to have a tangible effect in economically diverse areas, like New York City, Chicago or Boston. However, these allocations are likely to have a more pronounced effect in more rural areas with less diverse economies.

Figures 2.2 - 2.6 demonstrate that, in addition to the broad proliferation of defense contracts over time, smaller increments of defense dollars have increasingly extended to the (formerly agrarian) South and Southwest, desert and mountain regions, and more sparsely populated locations surrounding large cities. While the bulk of defense dollars remain heavily concentrated, leading contract recipients have shifted from large, diversified cities in the Northeast and Western coasts to former suburbs, towns and agricultural areas, particularly in the South and West. These allocations may exacerbate economic vulnerabilities in these regions, placing a political premium on maintaining defense facilities critical to local revenue and employment and securing the flow of defense dollars to these areas.

Externalized Costs

In 1792, James Madison delivered an argument that structural restraints in a republican form of government will help prevent unnecessary wars. With implicit reference to the nascent American republic, Madison suggested that a polity concerned with limiting wars and perpetuating peace must give the populace an electoral check on policymakers, while imposing the direct costs of war on the electorate: "…[War] should not only be declared by the authority of the people, whose toils and treasures are to support its burdens, instead of the government which is to reap its fruits: but…each generation should [also] be made to bear the burden of its own wars, instead of carrying them on, at the expence of other generations" (in Hunt ed. 1900).

Madison's essay challenges the structure of European monarchies, which lacked mechanisms instituting popular control over rulers and allowed leaders to impose the costs of war on the general public while reaping all of the benefits. Those that declared war and directed military conflicts received glory for victories and paid little for defeat, while the public ultimately funded the wars and fought and died at the monarch's caprice. However, a representative government vested with the power to declare war, raise armies and tax and spend will be less likely to initiate questionable military ventures when their electoral fortunes hinge on the public appeal of their actions. Further, the people will be less likely to support unnecessary wars when they must ultimately bear the sacrifices.

As Madison had predicted, the U.S. representative governing system requires a base level of popular support for a prolonged war effort. From the Revolution through the Eisenhower administration, large numbers of Americans were asked to sacrifice in wartime by joining the armed services and carrying a heavier tax burden. Administrations and congresses were then held accountable for wars and military actions during the next election cycle. However, elected officials can also work to conduct and finance wars in a way that makes it easier to sustain popular approval.

Since World War II, the rise of permanent military industry and dispersion of defense activity has coincided with a series of policies that reduce the public costs traditionally associated with U.S. wars. The ability to obviate or reduce public sacrifices during wartime evades Madison's prescription, imposing the bulk of the war costs on a small minority of active duty soldiers and volunteers, future

generations of taxpayers and foreign nations where U.S. wars take place rather than the political majorities that support them.

Figure 2.7a displays U.S. troop counts in as a percent of the U.S. population in major wars from War of 1812 to the Iraq War of 2003.[86] The figures show that, historically, sustained U.S. military actions required larger numbers of volunteers, reservists or conscripted soldiers in the armed services (relative to the U.S. population) in the centuries before the end of the Vietnam War than the decades that followed.

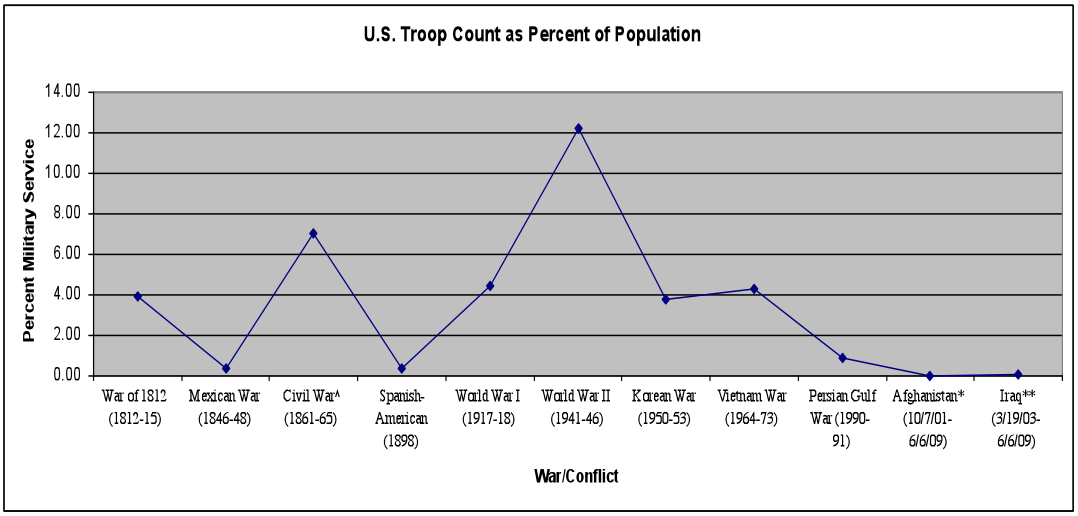

Figure 2.7a– U.S. Troop Count as Percent of Population, 1812 - 2009
^Union Forces Only
*Including NATO International Security Forces
**Highest total troop count (October 2007 surge)

In fact, prior to 1973, every U.S. war lasting for more than two years included the enlistment of at least 4% of the nation's population in the armed services. Only

[86] Sources for Figures 2.7a-b include: Department of Defense, Statistical Information and Analysis Division (SIAD), Military Casualty Information (various years); Brooking Afghanistan Index, compiled by Campbell & Shapiro (2009, 10); Brookings Iraq Index compiled by O'Hanlon (2009, 24); U.S. Census, Population and Housing Unit Counts, 1890-1990, 2000.

the Mexican War (1846-1848) and Spanish-American War (1898)—continental conflicts of shorter duration—contained lower troop counts. Despite its brief duration, U.S. entrance in World War I from 1917-1918 placed more than 4 million U.S. soldiers in combat. During World War II, more than 16 million Americans shared in the sacrifice by serving in the military. The overseas troop count during World War II comprised over 12% of the U.S. population—the largest troop commitment in the nation's history, excluding the combined total of Union and Confederate soldiers that fought in the Civil War. Even the Korean War—an undeclared conflict—included 6 million U.S. troops sent into battle, or nearly 4% of the population.

Figure 2.7b exhibits U.S. troop count in real numbers during wars and major military engagements. Perhaps most strikingly, U.S. troop counts have diminished substantially—in terms of raw numbers and as a percent of the population—following the Vietnam War. U.S. entrance in Vietnam required a military draft that enlisted over 8 million men and women in combat and sparked mass protests, public unrest and political upheaval. In the immediate aftermath of the Vietnam War, President Nixon instituted the 1973 All-Volunteer Force (AVF), eliminating the draft and transforming military service from a legal duty tied to citizenship to a voluntary act.

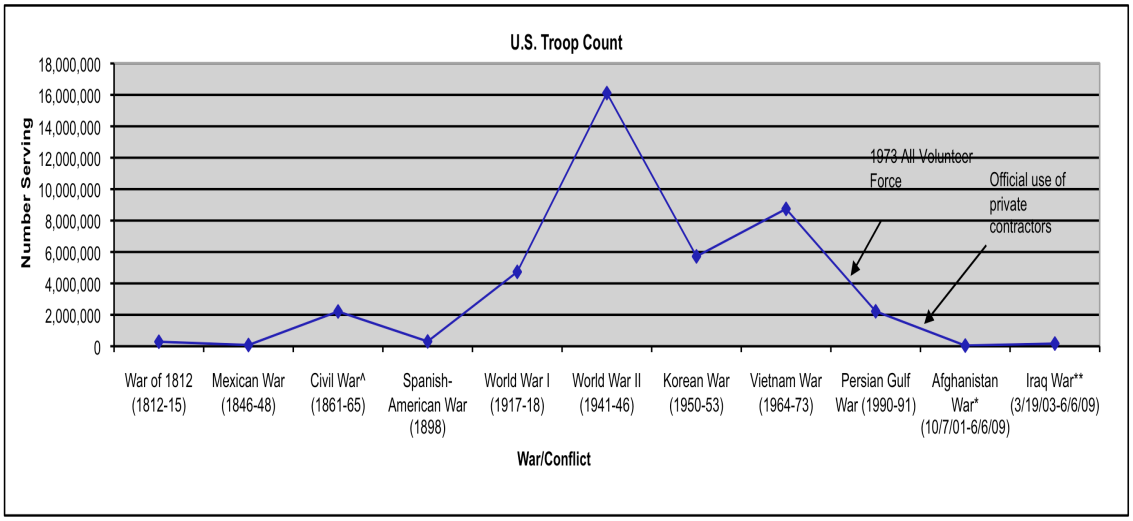

Figure 2.7b– U.S. Troop Count, 1812 – 2009
^Union Forces Only
*Including NATO International Security Forces
**Highest total troop count (October 2007 surge)

Several decades later, during the 1990s, President Clinton pioneered the Balkans conflict and the 1999 Kosovo War. A military consulting firm trained the Croation military in its secessionist war against Serb-dominated Yugoslavia, reducing the number of U.S. soldiers deployed in a politically contentious civil conflict characterized by war crimes and ethnic cleansing. The use of private contractors accelerated during the George W. Bush administration. In fact, military firms and private contractors comprise a plurality of U.S. forces deployed in Iraq as of June 2009 (DoD, Defense Manpower Data Center, Data, Analysis and Programs Division). Contractors also comprised more than half of Pentagon forces in Afghanistan as of March 2009, according to a report by the Congressional Research Service (Glanz 2009). Pentagon contractors include a mixture of Americans, Iraqis, Afghans and other foreigners hired to provide security and perform traditional military (and DoD) functions. The increasing use of military contractors, including private security

forces, makes it easier to initiate and prolong wars or military engagements without recruiting a large volunteer contingent.

While it is easier to acquire the necessary popular support to begin wars without a military draft or large numbers of new recruitments, evidence also suggests that public support for an ongoing war invariably declines when U.S. casualties mount—regardless of whether U.S. soldiers are draftees, reservists or volunteers (Mueller 1973; 2005). To examine the rates of military casualties among armed personnel, Figures 2.8a-c display U.S. military deaths in wars and major hostilities from Revolutionary War in 1775 to the Iraq War in 2003; 11 military engagements post-World War II; and 9 major military actions post-Vietnam.

Figure 2.8a shows that the Civil War and World War II dwarf historical U.S. military conflicts in number of American fatalities. However, these wars are unique in an important aspect: Both were perceived largely as existential struggles—the former for the survival of the union and the latter for the defeat of fascism following an attack on U.S. soil. Presidents Lincoln and Roosevelt successfully called upon the nation (or the union forces) to make collective sacrifices order to combat a potent threat to a way of existence.

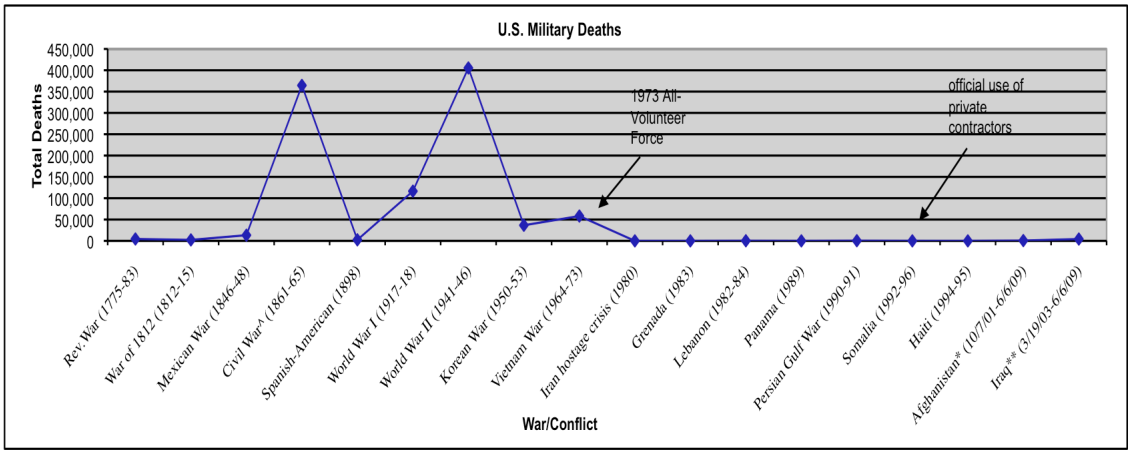

Figure 2.8a – U.S. Military Deaths in Wars and Major Military Engagements, 1775 – 2009
^Union Forces Only
*Including NATO International Security Forces
**Highest total troop count (October 2007 surge)

While the Revolutionary War and the Iraq War yielded similar numbers of U.S. military deaths, the extent of the national burden is obscured by population growth over time. Figure 2.8b displays U.S. military deaths as a percentage of the total population. The figure reveals several important factors: First, a higher percentage of U.S. citizens sacrificed their lives for freedom from the British Empire during the Revolutionary War than for Korea, Vietnam, Afghanistan and Iraq. Second, following World War II, U.S. military actions exhibit a pronounced decline in fatalities in relation to national population, regardless of the size, scope or duration of the conflict. In fact, a greater percentage of citizens lost their lives in World War II than in all subsequent wars combined. Third, as a percentage of U.S. citizens killed in battle, the nation faced a disproportionate burden during Civil War and (to a lesser extent) during World War II than all other military conflicts.

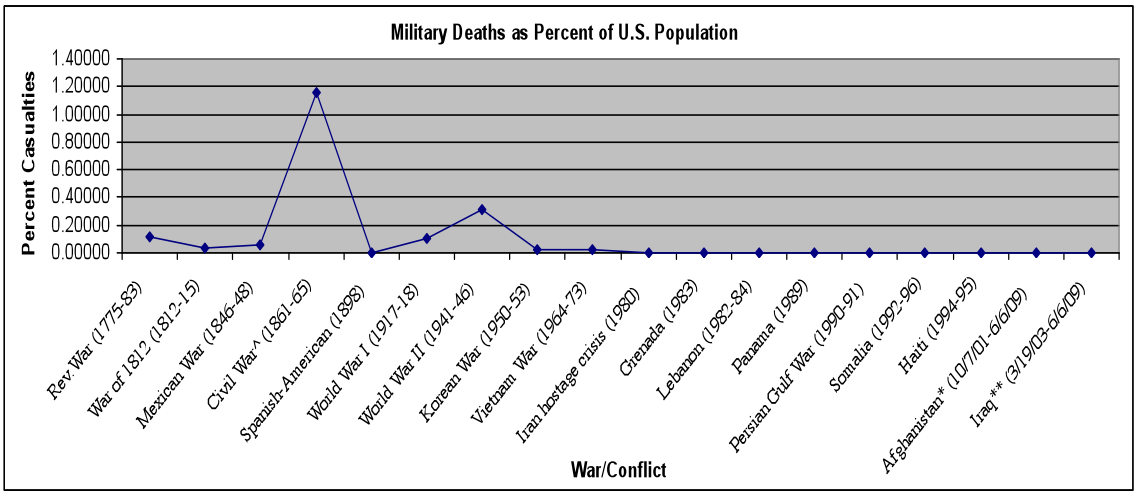

Figure 2.8b – U.S. Military Deaths in Wars and Major Military Engagements as Percent of Population, 1775 – 2009
^Union Forces Only
*Including NATO International Security Forces
**Highest total troop count (October 2007 surge)

Since World War II, American troops have engaged in armed combat on many occasions, but have only experienced sustained ground combat and suffered more than 1,000 deaths in actions in three cases: Korea, Vietnam and Iraq. While U.S. military fatalities numbered into the tens of thousands in Korea and Vietnam, Figure 2.8c shows that the elimination of the draft, use of military contractors and security contractors and increasingly sophisticated use of military technology have contributed to drastically lower numbers of U.S. military deaths in major ground wars like Afghanistan (nearly 700 fatalities as of June 2009) and Iraq (approaching 4,500 fatalities as of June 2009).

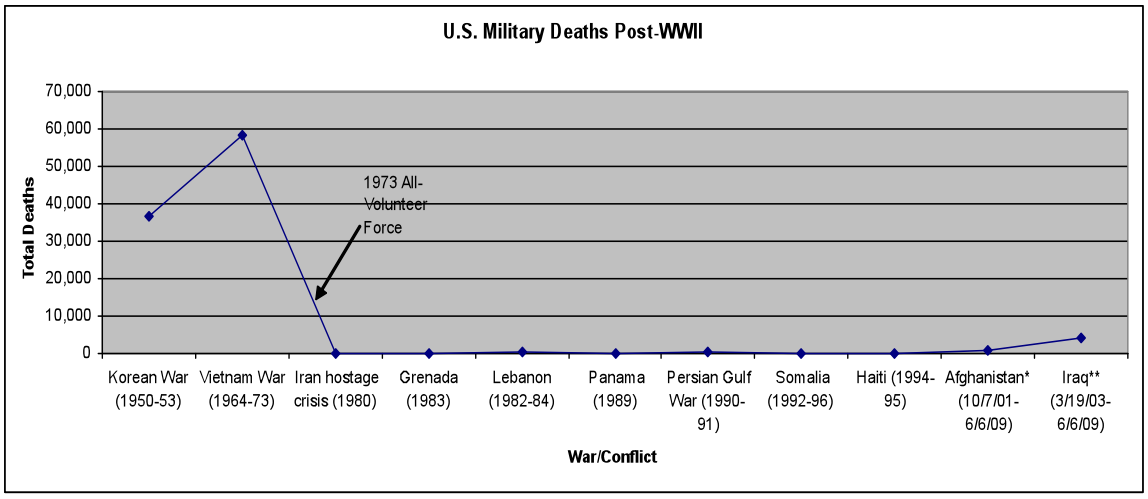

Figure 2.8c – U.S. Military Deaths in Wars and Major Military Engagements Post-World War II
*Including NATO International Security Forces
**Highest total troop count (October 2007 surge)

Despite the historically low number of U.S. military casualties for a ground war of its capacity, public support for the Iraq War has declined for (at least) two key reasons: First, the unexpected duration and complexity of the Iraq War has resulted in 900% more U.S. military deaths than any troop engagement since Vietnam. Second, the precipitous drop in public tolerance for the Iraq War after U.S. forces had suffered 1,500 casualties—a historically low figure—also indicates that the populace places far less value on the stakes in Iraq than in previous wars (even publicly contentious wars) like Vietnam and Korea (Mueller 2005; Gimpel & Althaus 2009).

Given the tenuous stakes that the American public perceives in Iraq, in addition to the unexpected length of the mission and increasing numbers of U.S. casualties, it is largely unsurprising that congressional Republicans from states and districts that have shouldered disproportionate military fatalities experienced greater

electoral vulnerability (Grose & Oppenheimer 2007; Kriner & Shen 2007).[87] While evidence suggests that President George W. Bush's public support declined as a result of U.S. casualties in Iraq, he still won reelection by a decisive margin (Karol & Miguel 2007).

Despite this evidence of electoral accountability and a "democratic brake" on military ventures, private military forces in Iraq and Afghanistan—which include Americans, Iraqis, Afghanis and other foreigners—also outnumber uniformed U.S. soldiers. The extensive use of private military forces deflate official casualty statistics (contractor numbers and fatalities are not included in DoD military statistics), allow public officials to sustain major military actions without a draft or more extensive recruitment efforts, and limit both the negative risk on public opinion and instances of electoral reprisal. Despite the erosion of public support for the Iraq War and targeted electoral checks, the limited sacrifices required of most Americans contributed to the base level of public approval necessary to initiate the war. The ability to draw on private military support is also likely to influence elected officials that may not otherwise be willing to risk the potential backlash in public opinion commonly associated with large troop counts.

While fewer numbers of Americans risked their lives in Iraq than in previous ground wars of comparable duration, Americans also made fewer economic sacrifices—even at the onset of the war when a majority of the public supported the mission. Historically, the nation's leaders sought to pay down war debts during

[87] Rather, it is surprising that electoral reprisal for the Iraq War is not more widespread, given that the administration's stated goals of seizing weapons of mass destruction and stopping the spread of international terrorism have been disproven.

peacetime. From George Washington through the Eisenhower administration, presidents sought to maintain the nation's ability to borrow on credit and avoid imposing heavy obligations on future generations by promoting balanced budgets and prioritizing deficit reductions (Hormats 2007). By contrast, enhanced reliance on federal borrowing and the systematic growth of the U.S. economy following World War II make it easier to fund wars and weapons build-ups without asking voters to pay higher taxes or face cuts in domestic spending programs.

To assess levels of federal borrowing and the size of the national economy over time, Figures 2.9a – 2.9b display U.S. debt obligations in each fiscal year from 1940 to 2008 in constant (2008) dollars and as a percentage of gross domestic product (GDP).[88] The national debt represents government borrowing to pay for the expenses that it could not afford through collected revenue. This includes money owed to individuals and foreign governments, in addition to money borrowed from Social Security and other trust funds. While the national debt reflects all sorts of federal expenditures—not simply defense spending—it allows me to gauge levels of federal borrowing during U.S. wars and major defense build-ups. Although these levels may reflect government borrowing unrelated to defense, it also documents government willingness to fund expenditures on credit—as opposed to imposing tax hikes or mandating reductions in other programs.

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[88] The data for these figures are drawn from: U.S. Bureau of the Public Debt, Treasury Direct: Historical Debt Outstanding. Accessed at http://www.treasurydirect.gov/govt/reports/pd/histdebt/histdebt.htm (last updated 2008-10-18); U.S. Executive Office, Budget of the United States Government, FY2008 Historical Tables, Table 7.1, Federal Debt at the End of Year: 1940-2012;
U.S. Bureau of Economic Analysis, National Economic Accounts. Accessed at http://www.bea.gov/national/xls/gdplev.xls

As Figure 2.9a illustrates, U.S. debt increased dramatically from 1940 to 1945, growing from $600 billion to over $3 trillion over the course of World War II. The debt declined to just over $2 trillion under Truman, despite expenses incurred during the Korean War, and hovered at roughly the same rate through the mid-1970s. The debt began to increase very gradually in the mid to late 1970s, during a period of economic recession and the aftermath of the Vietnam War. However, debt obligations remained well below $3 trillion until the 1980s, during President Reagan's unprecedented peacetime defense build-up. Indeed, the federal debt grew to nearly $5 trillion under Reagan and increased steadily under George H.W. Bush and Clinton, approaching $7 trillion in the mid-1990s. Despite the demise of the Soviet Union, the debt did not taper off until 1996, and did not decline until the 2000 fiscal year. From 2001 to 2007, the national debt increased from $7 trillion to over $10 trillion. Although only a fraction of this debt can be attributed to military ventures, an ability to spend on credit allowed policymakers to conduct extensive wars in two global theaters without imposing additional taxes to support these operations.

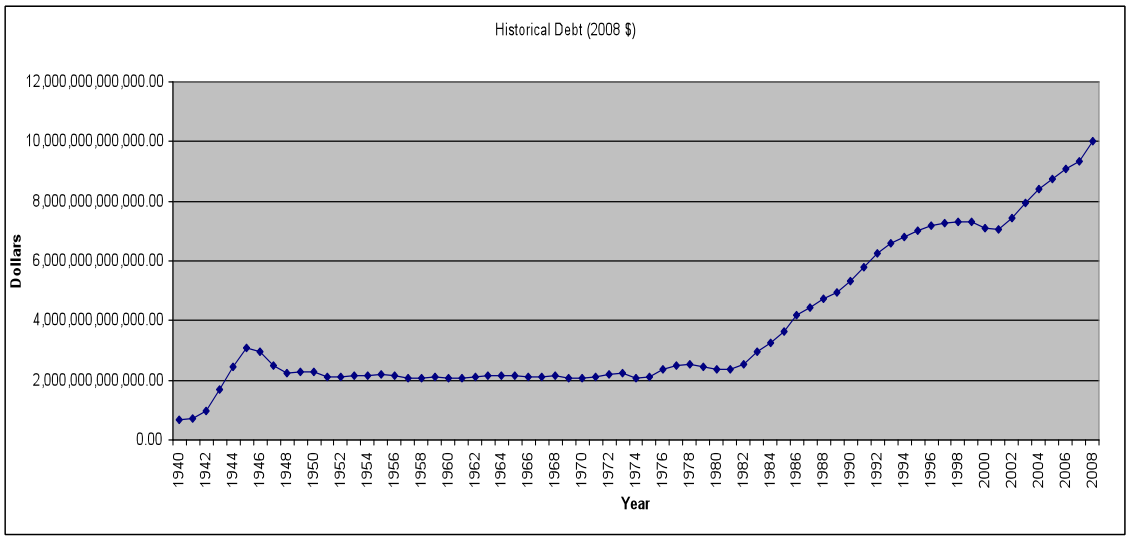

Figure 2.9a – Historical U.S. Debt Obligations, 1940-2008 (in 2008 dollars)

Figure 2.9b displays public debt as a percentage of GDP. Since GDP is a measure of the nation's total economic output, the figure represents the percentage of the U.S. economy necessary to pay off foreign loans from 1940 to 2005, with projections for 2007 and 2008. As a percent of GDP, U.S. debt grew to more than 120% of GDP in 1946, at the end of World War II, then declined slowly through the mid-1970s and hovered below 40% until the 1980s. In the early 1980s through the mid-1990s, national debt as a percent of GDP grew from 33% to 67%, or roughly 50%--a far more muted increase than the actual dollar value suggests.[89] Since 2001, debt obligations in relation to GDP has increased gradually and then flattened, hovering over 65% of GDP.

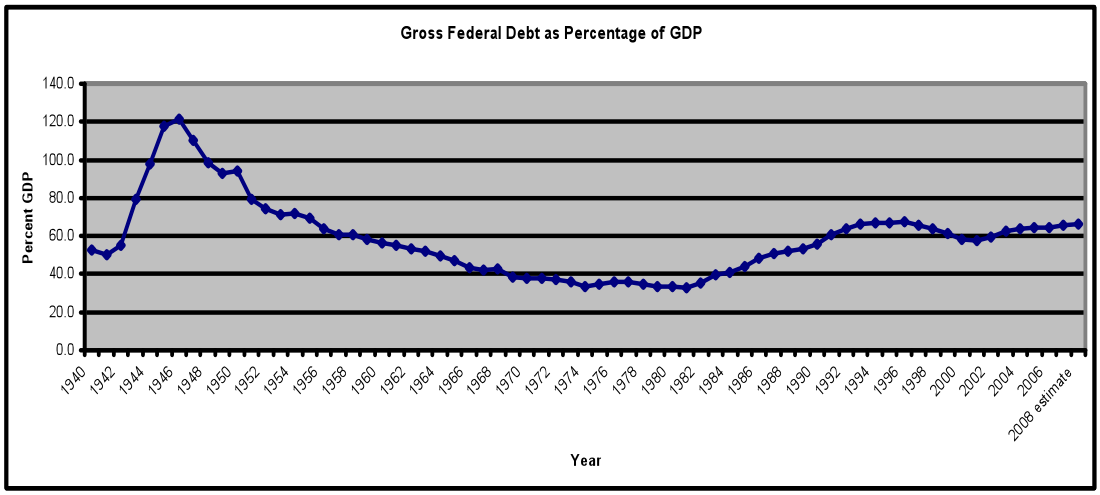

Figure 2.9b – Gross Federal Debt as Percent of GDP, 1940 - 2008

Unlike Figure 2.9a—where debt obligations in real terms exhibit the most dramatic increase from 1980 to 2008—debt spending as a percentage of GDP

[89] In real (2008) dollars, the debt increased from $2.3 trillion in FY1980 to $7.2 trillion in FY1995, or 313% (see Figure 2.9a).

underwent a sharp rise during World War II followed by a period of rapid decline in the decade after the war, and modest ebbs and flows in subsequent years. While the disproportionate debt obligation incurred during World War II reflects the massive spending increase on behalf of military production, it is also conditioned by the effects of the Great Depression and a smaller overall economy than in the years that followed. In fact, excluding a brief economic decline from 1946 to 1950, in the years between World War II and the Korean War, U.S. GDP has increased systematically from 1940 to 2008, growing from $1.2 trillion to over $13.4 trillion or 1,117% (BEA, National Economic Accounts, in constant 2005 dollars). This suggests that the decline in debt obligations as a percent of GDP is largely a reflection of the overall strength of the modern U.S. economy: GDP has substantially outpaced federal spending growth even while government spending has drastically exceeded federal revenue.

During World War II, the American people were expected to sacrifice both overseas and domestically. Federal campaigns and propaganda efforts encouraged citizens to support higher taxes, purchase war bonds and abide by government rationing and price controls. Since the 1980s, administrations and congresses have been able to avoid a major revision in fiscal policy—increasing taxes and cutting spending on non-military programs during wartime and periods of major defense build-ups—largely because wars and military procurements represent a declining portion of GDP compared to past conflicts. At its peak, World War II accounted for roughly 45% of GPD, the Korean War comprised 15%, and the Vietnam War peaked at 10%. Despite real increases in defense spending, the entire military budget in 2008

was below 5% of GDP, and the cost of the war was roughly 1% (Hormats 2007; Higgs 2007).

Given the nation's economic strength—which has contributed to a virtually unlimited ability to borrow on credit—the government has not needed to increase taxes or cut civilian spending in order to cover mounting military bills. Instead, administrations, congresses and U.S. Treasury officials have relied more heavily on borrowing and emergency supplemental appropriations. While lower taxes and increased domestic spending make it easier to spur economic growth and sustain support for ongoing military operations, this fiscal strategy comes at a disproportionate cost to future generations of taxpayers that must eventually fund growing debt obligations.

Conclusion

"What would become of glaziers if panes of glass were never broken?" – Frederic Bastiat, 1850

In a famous parable, a little boy carelessly breaks a window belonging to a shopkeeper. As a consequence, the broken window provides work for the glazier called upon to fix the window; the glazier can then buy bread, benefiting the baker, who will buy shoes, benefiting the cobbler, and so on. Suddenly, onlookers begin to conclude that the apparent act of vandalism is actually a public good: it causes money to circulate and stimulates industry. Of course, the fallacy in the argument is that the onlookers only considered the benefits of purchasing a new window, while ignoring

the costs of the shopkeeper who might have otherwise spent money on bread and shoes for himself.

This chapter has demonstrated that military spending and warfare provides work for the defense industry, which in turn stimulates economic activity among constituencies engaged in defense production. At the same time, the majority of Americans bear fewer and fewer immediate costs of defense spending, military operations and warfare. Like the shopkeeper with the broken window, however, the costs of the U.S. military economy have not disappeared simply because political majorities no longer see them. Rather, foreign nations where the U.S. fights its wars incur harm to civilian life, including damage to economic infrastructure, lost productivity and loss of civilian lives. The financial expense of war and periods of heightened defense production also have opportunity costs in the U.S. Funds spent on military procurement could be spent on other purposes, including investments in infrastructure, health care or education. The borrowing used to finance military procurements will also constrain future U.S. taxpayers who might have chosen to spend the money in other ways.

Historically, the main obstacles that have prevented administrations and congresses from initiating wars or military operations were the need to mobilize troops and raise taxes in order to pay for weaponry and supply troops. Domestic opposition to wars resulted in fewer people volunteering to serve in the armed forces, which deflates troop size or results in a military draft. With a permanent military economy, reliance on private contractors to sustain U.S. wars, and the ability to finance wars and military production with foreign debt changes these dynamics.

Ongoing U.S. military production both stimulates economic activity and operates as a deterrent to potential attacks on U.S. soil. The increasingly high-tech weaponry that research and development and defense procurement generate—from fighter jets and bombers to unmanned drones and robotics—makes it easier to identify enemy targets at reduced risk to U.S. military personnel. Further, reduced reliance on American troops, decreasing U.S. casualty rates, and less tangible economic costs make it easier to wage war within an electoral governing system (see Mueller 1973, 2005; Grose & Oppenheimer 2007; Kriner & Shen 2007, demonstrating that U.S. casualty rates are a principal source of electoral opposition to warfare). Defense firms, local constituencies engaged in defense production and political majorities all benefit from these arrangements, regardless of costs borne elsewhere.

During World War II, 16 million Americans fought overseas, while millions more supported higher taxes, rationing, price controls and unprecedented government intervention in the economic sphere. President Roosevelt's ambitious defense production goals coincided with greater government willingness to experiment with Keynesian techniques, including enhanced deficit spending, government assumption of economic risk and measures to stimulate private profits.

Given sufficient cost-plus incentives, defense industries generally expanded productive capacity, largely by adding to their existing facilities. Space requirements, access to airfields and proximate military bases also placed a premium on small cities and towns neighboring large metropolitan centers with existing defense infrastructure. At the same time, government priorities—defense industry dispersion, military

secrecy, and enhanced economic needs in more rural areas—contributed to the establishment of new defense infrastructure in inland and Southern locations.

During the 1960s, most predominant World War II contracting sites, metropolitan areas located on the Eastern and Western coasts and the industrial Midwest, continued to draw the largest concentrations of defense dollars. In subsequent decades, industrializing Southern regions drew a larger defense sector presence, enhanced representation on defense committees and strong political support for a national security state (Trubowitz 1998; Schulman 1991; Wright 1986). At the same time, as defense production increased in size and scope, regions and communities outside of urban areas became major contracting sites, even overshadowing many large cities.

Like industrializing Southern areas during the Cold War, key localities that developed a concentrated defense sector within more rural, economically homogenous local contexts are likely to experience disproportionate economic reliance on defense dollars and projects that they receive. While this is especially true at the earliest stages of development, local dependencies are likely to persist until an area expands and diversifies quite substantially. Former suburbs, towns and agricultural-turned-military locales have roots in both World War II military mobilization (Bethpage, New York; Ridley Park, Pennsylvania; Grand Prairie, Texas; Bremerton, Washington; El Segundo, California) and industry decisions made during the Cold War (Corpus Christi, Texas; Cape Canaveral, Florida; Mountain View, California; Rolling Meadows, Illinois; Greenville, South Carolina; King of Prussia, Pennsylvania).

As the following chapters will argue, the geographic concentration of defense industries in certain areas generates and sustains economic dependencies and encourages key political representatives to support ongoing defense production. Politicians, contractors and defense bureaucracies in turn work to allocate weapons contracts with these economic and political imperatives in mind.

Chapter 3: Defining National Defense Needs: Economic Motivations for Congressional Defense Spending

This chapter assesses whether local economic reliance on the defense industry shapes congressional voting patterns on various types of weapons expenditures. Scholars tend to highlight ideological motivations in order to explain congressional voting behavior on defense decisions (Lindsay 1991; Mayer 1991; Fleisher 1985; Ray 1981a). Unquestionably, debates over missile defense and the size of the defense budget tap into underlying disagreements over multilateral versus unilateral foreign policy and generate intense ideological disputes. However, not all defense spending controversies grow out of ideological disputes. Studies rarely consider how mounting program costs and changing threat levels influence congressional spending on disproportionately high-cost weapons opposed by leading Pentagon officials. Systems that provoke controversy within top Pentagon circles often reflect non-ideological, strategic goals. Congressional decisions on these matters not only involve billions of dollars of taxpayer money but also require strategic defense trade-offs, including cuts in other parts of the military procurement budget. While varying assessments of national defense requirements may underlie congressional preferences for controversial weapons, few studies have addressed members' incentives on these decisions.

What factors motivate congressional voting decisions on high cost weapons programs with debatable strategic utility? I predict that a member of the U.S. House

of Representatives who represents a constituency that is economically *dependent*[90] on defense spending will be more likely to vote for defense expenditures than a member from a district that is less dependent on the defense industry. I am not simply suggesting that members of Congress from districts with a strong defense sector will seek more military spending. My analysis also accounts for a district's larger economic context: Districts with less diverse economies are disproportionately reliant on the defense expenditures that they receive, and congressional members from these districts will prioritize defense interests more than members representing constituencies with more diverse, vibrant economies. Members' political motivations are not shaped merely by the presence of defense facilities, but are also influenced by the importance of this industry to the overall local economy. In broader terms, constituency interest affects congressional incentives differently depending on local context.

Previous work on congressional defense spending does not adequately capture a constituency's *reliance* on the defense programs at stake in the voting decisions under examination. While studies do examine various measures of constituency 'benefit' flowing from defense expenditures (see Lindsay 1991; Fleisher 1985; Ray 1981a; Cobb 1976), these evaluations do not account for the importance of the vote under study to a constituency's overall economy. Rather, most studies suggest that parochial factors play a limited role in defense decisions, and that congressional preferences for defense expenditures reflect members' ideological preferences (Cobb 1976; Ray 1981a; Fleisher 1985; Lindsay 1991; Mayer 1991; also see Krehbiel 1998).

[90] This analysis refers to constituency "dependence", "reliance" and "demand" interchangeably.

This view suggests that members of Congress who support defense programs do so because of a more 'hawkish' ideology, while the ideological 'doves' that oppose such measures are driven by more pacifist sentiments. Yet, a member's ideological orientation cannot fully explain their preference for a technologically sophisticated weapon system with high costs and debatable utility as opposed to more cost-effective, proven military technology expressly favored by Pentagon officials.

Original data presented here offers new evidence that constituency reliance on defense jobs is a key driver of these military spending preferences in the U.S. House of Representatives. Constituency dependence on defense employment influences members' voting behavior beyond the partisan and ideological divisions that typically characterize congressional voting behavior.

Local Economic Reliance

Institutional structures encourage members of Congress to respond to local constituencies (Mayhew 1974; Arnold 1990). Because Congress is set up as a body that is responsive to states and districts across the nation, congressional decisions on security policy and defense spending offer crucial insights into the nature of institutional incentives.

Previous analysis of defense committee composition supports the notion that members of Congress prioritize constituency factors. Research has found that the Armed Services Committee attracts members from districts with large military bases and high levels of employment in arms services (Adler & Lapinksi 1997; Goss 1972; Arnold 1979; Rohde & Shepsle 1973). Adler & Lapinski's (1997) test of their

demand-side theory of committee representation demonstrates that members of committees yield greater levels of constituency benefits on average than the typical member of Congress. Other scholars have demonstrated that committee-based log-rolling arrangements (Carsey & Rundquist 1997) and partisan influences (Carsey & Rundquist 1999; Bickers & Stein 2000; Carsey & Rundquist 2002) affect the distributive politics of defense contracting. Additionally, research suggests that the nation's uneven economic development patterns have shaped foreign policy conflicts throughout key periods of U.S. history (Trubowitz 1998).

While many studies recognize the conventional wisdom that politics plays an important role in defense spending, the literature also lacks systematic evidence that parochial interests have a major influence on representatives' voting preferences for weapons systems. Instead, this line of research highlights ideological considerations in order to explain congressional voting patterns on defense spending decisions (Lindsay 1991; Mayer 1991; Ray 1981a; Fleisher 1985; Cobb 1976; Bernstein & Anthony 1974; Goss 1972; Grey & Gregory 1968).

These studies do not adequately capture the importance of the voting decision under examination for a representative's local economy. First, previous work often focuses exclusively on legislative disagreement on *politically* controversial defense decisions during the Cold War, such as "jingoistic" foreign policy votes (Cobb 1974), anti-ballistic missiles (Bernstein & Anthony 1974) and missile defense (Lindsay 1991; Ray 1981a). In addition to potential strategic disagreements, debates over nuclear programs also tap into members' ideological disputes over unilateral versus multilateral foreign policy (but see Fleisher 1985, assessing spending on the B1

bomber). Second, and more critically, studies typically employ a relatively blunt metric of defense dollars flowing to a locality in order to assess members' economic motivations. These measures fail to gauge the importance of the defense vote to the constituency's overall economy.

Researchers themselves commonly recognize these limitations. Bruce Ray (1981a, 444) explains the null relationship between statewide prime contract revenue and members' "hawkishness" on foreign policy decisions by noting that the problem may lie with the general level of measurement: "Congressmen will still fight—and fight hard—for a defense project with *direct implications* for their districts, but may allow the 'world' view, as opposed to their 'constituency' view, to determine their positions on more general national security measures." Richard Fleisher (1985) explains the lack of relationship between Senate votes for the B-1 bomber and the percentage of B-1 expenditures flowing to a state by pointing out that for most senators, voting against the program did not harm the state's economy.[91]

Previous work suggesting that local economic factors do not influence members' defense spending decisions does not adequately capture a constituency's *reliance* on the defense programs at stake in a voting decision. My analysis highlights a new understanding of district demand based on the geographic composition of the defense industry. While Adler & Lapinski (1997) measure district 'need' based on the

[91] Fleisher acknowledges that California received over 60% of B-1 dollars during the time period examined, thus minimizing the importance of program benefits in other states. "Looking at the behavior of [California's] liberal Senators, Cranston and Tunney, one finds that they were constant supporters of the B-1. All other liberals from high benefit states can be considered as not crossing that minimum threshold [of economic importance]. That is, the amount of benefits that the state received was not so great as to reduce the Senators' options" (Fleisher 1985, 209).

absolute number of military bases in a district, I conceptualize *excessive reliance* based on the relative concentration of defense facilities to other industries. In other words, the proportion of constituents that rely on the defense sector for employment opportunities and local revenue provides a better measure of constituency dependence on this particular sector of the economy. This suggests that members of Congress from more sparsely populated, rural locations—characterized by the U.S. Department of Agriculture (USDA) as more industrially homogenous areas with fewer economic opportunities—have greater incentives to focus on defense spending than do members from urban areas with a diverse industrial base.[92] Indeed, there is reason to believe that disproportionate demand for defense benefits in more rural areas with a concentrated defense presence shapes members' voting preferences to a greater extent than the mere capacity to accept defense projects (also see Bailey & Brady 1998).

If economic reliance on defense spending shapes the relationship between representative and constituency, then congressional support for weapons programs will not be driven only by broader foreign policy goals. Rather, the shared goal of economic security will also cultivate support for such policies, and is likely to influence or help shape the representative and the district's hawkish position on foreign policy or support for weapons programs *regardless of partisanship or ideology*. If economic dependence on defense jobs influences congressional support for military spending, then the following hypothesis should hold true:

[92] See U.S. Economic Research Service: http://151.121.68.30/Briefing/Rurality/. (Also refer to ERS publication Rural America at a Glance, 2006 Edition, http://151.121.68.30/publications/eib18/eib18.htm.)

H1: Members of Congress from districts that are more reliant on the defense industry will demonstrate greater support for defense expenditures than members whose districts are less economically dependent on the military industry, controlling for partisanship and other factors.

The Role of Partisanship

Partisanship defines multiple aspects of congressional processes and behavior, from elections (Aldrich 1995) to the formation of procedural coalitions (Cox and McCubbins 2005) and roll call voting (Snyder & Groseclose 2000). The 1995 Republican Party takeover resulted in greater ideological homogeneity in both the Republican and Democratic parties (Aldrich & Rohde 2000).

While the theory of economic reliance posits that both Republicans and Democrats from arms dependent districts will be more likely to support increased defense funding, one might also expect to see differences between Republican and Democratic voting patterns. Republican Party leaders, including Republican presidents, have long sought to position the party as "pro-defense." All Republican members of Congress are undoubtedly cognizant of the collective party strategy to enhance the party's "brand name" on defense issues—regardless of the composition of their district.

Given these institutional incentives, Republican Congress members should be *predisposed* to vote pro-military spending, all else equal. Accordingly, economic considerations may have a larger impact on Democrats, who do not have the same partisan pre-disposition:

H2: Economic reliance on the defense sector will encourage Democratic members' support for defense expenditures to a greater extent than Republican members, controlling for ideological predispositions.

Controversial Weapons Spending

Congressional debates over military expenditures take many forms. Members of Congress disagree over general levels of defense spending, restrictions on arms sales abroad, and funding for weapons programs with high costs and questionable strategic utility. For instance, the 1994 Republican Contract with America championed the need for large defense budgets, highlighting national defense priorities as a "conservative" cause. Successful Republican leadership on this issue should encourage Republican membership to mount opposition to defense cuts. If parties in Congress stake out opposing positions on debates over defense spending levels, then partisan or ideological factors will exhibit strong influences on congressional voting decisions on spending policies.

By contrast, it is more difficult to conceptualize support for controversial weapons systems—strategically debatable programs opposed by top Pentagon officials as prohibitively costly or otherwise unnecessary—as a 'conservative' cause. Unlike debates over levels of military spending, questions concerning the utility or cost-effectiveness of a weapon system do not typically break down based on ideological considerations. Rather, these questions rely on expert assessments and factual evidence, such as whether a weapon is likely to be useful on the battlefield and merits budgetary priority. While experts may disagree on such matters, these

questions are more difficult to classify as 'liberal' or 'conservative' positions. This suggests that economic reliance on defense revenue may drive legislative support for *controversial* weapons expenditures to a greater extent than policy debates with a stronger partisan or ideological content.

> *H3: Economic reliance on the defense sector will encourage greater congressional support for controversial defense expenditures than other defense spending policies, controlling for ideological predispositions.*

Data and Research Design

To conduct this analysis, I located roll call votes taken in the U.S. House of Representatives on three specific types of defense policies from 1993 to 1998: controversial weapons expenditures,[93] defense cuts, and policies on arms sales to foreign nations. Each bill forces congressional members to take a position on a matter that influences the status of the U.S. arms economy.

Congressional debate on these subjects is more limited and one-sided during periods of military threat. The absence of a significant military threat throughout much of the 1990s offers a unique opportunity to analyze variability in congressional behavior on such matters. This approach is especially critical given the more uniform congressional support for military spending during periods of heightened perceptions of national security threats present through much of the Cold War and following the

[93] Controversial weapons are defined as weapons opposed by the Pentagon on account of disproportionately high costs and questionable strategic utility. See below for further elaboration.

terrorist attacks of September 11, 2001 (Gray & Gregory 1968, 45; CQ Weekly, Defense 01446 5/27/05).

The House of Representatives provides an appropriate focal point for this study for several reasons: The House offers a larger case selection than the Senate and a more precise measure of constituency reliance. The shorter terms of its members not only link them more closely to their constituencies, but the districts are also smaller and often more homogenous than those of the Senate, allowing for greater variability across cases.

The database consists of 36 spending bills regarding controversial weapons expenditures (n=17), general defense cuts (n=11), and arms sale policies (n=8) taken from 1993-1998 extracted from CQ Weekly. The dependent variable is the members' average position ("defense spending score") on all three types of defense policies during the 103rd, 104th, and 105th Congress, respectively. A 'pro-spending' vote (pro-weapons spending, anti-spending cuts, and pro-ease of arms sales) was coded "1"; an 'anti-spending' vote was coded "0". The average scores per district are continuous measures ranging from 0 to 1, where higher values indicate more support for defense spending. I also disaggregated each policy type and created scores for controversial defense expenditure, general defense cuts, and arms sales in order to test for variation across policy types. In doing so, I pool the votes taken in three congressional terms in order to increase the number of cases examined. Appendix 3.1 provides a table of descriptive statistics for dependent and independent variables. Appendix 3.2 lists these bills, resolutions and amendments.[94]

[94] Given length restraints, Appendix 3.2 will be made available upon request from the author.

Controversial weapons expenditures are defined as disproportionately high-cost weapon systems with debatable strategic utility that top Pentagon officials, including the Secretary of Defense, Joint Chiefs of Staff and/or the president, have targeted for spending caps, cancellation or spending cuts. The weapons systems that meet these criteria include the SSN Seawolf Submarine, B-2 stealth bomber, V-22 Osprey helicopter and F-22 stealth fighter. Each program has been criticized by the Pentagon as prohibitively costly or otherwise inappropriate in an era faced with threats of terrorism or other forms of unconventional conflict.[95] The Trident D-5 nuclear missile and other ballistic missile systems are classified as politically controversial expenditures, indicating both strategic and political disagreement over procurement decisions.[96]

Defense cuts consist of bills on spending freezes and overall reductions in defense spending. This includes amendments providing an across-the-board cut in DoD activities or reducing the level of funding allotted for Army, Navy, or Air Force procurements.

Arms sale policies are defined as measures restricting or relaxing U.S. arms sales to foreign nations or bills tightening or relaxing restrictions on U.S. arms contractors. These votes force members to take a position that either grows or rolls

[95] For more information on controversial weapons expenditures and Pentagon opposition refer to: Federation of American Scientists (FAS), SSN-21 Seawolf Class; U.S. GAO 1997b, 2000, 2006; Bender & Robinson 1997; Bolkcom 2005 CRS Report; CDI Transcript 1992; George H.W. Bush 1992 State of the Union, in American Presidency Project, State of the Union Messages.

[96] For example, President George H.W. Bush targeted inter-continental ballistic missiles, warheads for sea-based ballistic missiles and Peacekeeping missiles for spending cuts in his 1992 State of the Union Address, suggesting low strategic priority. However, debates over nuclear weaponry could also reflect members' disagreement over multilateral foreign policy versus an independent U.S. super-power (see George H.W. Bush, 1992 Address Before a Joint Session of Congress on the State of the Union, January 28, In American Presidency Project, State of the Union Messages. Accessed at http://www.presidency.ucsb.edu/ws/index.php?pid=20544)

back the weapons industry. Examples include a bill to prohibit the use of funds to finance the sale or transfer of a defense article or service to a foreign nation, and an amendment omitting a government tax on the foreign sale of U.S. weapons.[97]

The percentage of defense sector employment within a district would provide an optimal measure of district dependence on the defense sector of the economy. However, the Bureau of Labor Statistics yields 'non-disclosable' results on defense employment queries. Given these data limitations, an interaction term, *low density*facilities,* allows me to assess the influence of a large defense sector presence in more sparsely populated areas. The measure serves as a proxy for a district's economic reliance on defense revenue.

Information on the nation-wide locations of major defense industries affords a reasonable measure of local defense industry presence. To create this measure, I collected original data on the major U.S. locations of Boeing Company, Lockheed Martin, Raytheon, TRW Inc., Northrop Grumman Corporation, and Alliant Techsystems during the 1990s. These six companies were all top DoD manufacturers during the period under study and primary producers of the controversial weapons systems examined.[98] I collected information on major industry locations by referencing 10-K reports—annual business and financial documents—submitted by

[97] I include one bill that aims to expand NATO (HR3564, 7/23/96) because this measure effectively grants greater access for U.S. arms sales abroad.

[98] Lockheed Martin and Boeing Company manufacture the F-22 fighter plane; Northrop Grumman Corp, TRW Inc. and Boeing produce the B-2 bomber; Alliant Techsystems manufactures the Trident D5 missile. The Boeing Airborne Laser, Lockheed Martin Aegis Ballistic Missile Defense, Northrop Grumman Kinetic Energy Interceptor (KEI), and Raytheon Integrated Defense all contribute crucial aspects to the BMD program. In FY1995, Boeing, Lockheed Martin, Raytheon, and TRW Inc. (a subsidiary of Northrop Grumman Corp.) ranked as the top four major BMD contractors. Alliant Techsystems served as the largest Pentagon supplier of ammunition and cluster bombs.

each company for the 1995 fiscal year.[99] I also consulted past research compiled by the Center for Media and Democracy on the locations of major missile defense industries. These search methods yielded the city-based locations of 606 U.S. defense facilities spread across 48 states (excepting Vermont and Delaware). I hand-coded the relevant districts from the Congressional District Atlas for the 103rd Congress of the United States (based on 1992 redistricting plans). When a city location cut across multiple congressional districts, I included each potentially relevant district in my coding scheme. Appendix 3.3 provides information on the locations of defense facilities and details on coding decisions.[100]

A count variable indicates the number of defense facilities in a district. However, this measure does not gauge a district's economic *reliance* on defense expenditures. To capture local dependence on the major defense companies in a district, I apply an additional proxy for local economic homogeneity.

The USDA Economic Research Service addresses shrinking economies and higher prospects of job loss among residents of more rural, low-density settlements. Based on these classifications, more sparsely populated, rural areas with a defense sector presence generally experience greater dependence on this industry than more economically diverse, urban areas with an equal defense presence. Following USDA Urban/Rural Continuum Criteria, I account for rural/urban disparities by including a

[99] These reports are located at the Security and Exchange Commission, EDGAR Database Archive, Company 10K Reports, FY 1995 (http://www.sec.gov/edgar.shtml).

[100] Given length restrictions, the material in Appendix 3.3 will be made available upon request from the author.

measure of the population density of a district.[101] I calculated the overall district population divided by area per square mile. I then calculated the inverse of this measure in order to create a variable for low density, where higher values indicate more sparsely populated areas.

As stated previously, an interaction term (*low density*facilities)* captures the influence of a large defense sector presence in more sparsely populated areas. Accounting for the industrial composition of a district is critical to any complete assessment of constituency dependence on a particular sector of the economy.

I also include a number of important control variables. Scott Adler's dataset provides information on the military population in each district during the 1990s. I consulted the website for the Center of Responsive Politics for data on campaign contributions from the defense industry given to each congressional member. Referring to the *Congressional Directory*, I include a dummy variable for defense committee members (coded "1" for members of the Defense Appropriation Committee, Armed Services Committee,[102] and Select Committee on Tactical Intelligence, and "0" for other members). I also control for partisanship, coding Republicans "1" and Democrats "0."[103] In order to test for distinct behavior across parties, I ran the full model separately for Democrats and Republicans. When

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[101] The USDA defines Urbanized Areas as "clusters of 2,500 or more people, based solely on population density per square mile." See USDA Economic Research Service, Rural-Urban Continuum Codes, http://151.121.68.30/Briefing/Rurality/RuralUrbCon/. The measurement also corresponds with methodologies utilized in sociological analyses of rural history, which often define the degree of "rurality" or "urban-ness" based on population density or degree of isolation from large, urban places (see Buttel & McMichael 1988, referring to Willets et al. 1982).

[102] The Armed Services Committee was renamed the National Security Committee in 1995. I use these terms interchangeably.

[103] Independent Bernie Sanders is coded as a Democrat because he regularly caucuses with the Democratic Party.

analyzing the parties separately, I employ a standard political science measurement for ideology (Poole & Rosenthal 1991, DW-NOMINATE scores) to control for members' predisposed preferences or leanings. While scholars have demonstrated statistical and theoretical problems with the use of aggregated voting patterns in models predicting voting behavior (Jackson & Kingdon 1992; Jenkins et al. 2004), I apply the scores to provide a more conservative test of the hypotheses.[104] As stated previously, Appendix 1 lists descriptive statistics for each variable under study.

Modeling Patterns of Congressional Support for Defense Expenditures

The study employs a continuous measure as the dependent variable. Therefore, multiple regression using ordinary least squares (OLS) affords an appropriate analysis of members' support for defense expenditures. I run the model three times, for the 103rd, 104th, and 105th Congresses. Because district composition does not change significantly in this period, the results should hold relatively constant throughout this time span.

An interaction term (*low density*facilities)* allows me to assess the influence of economic reliance in sparsely populated districts with a large defense sector presence. The first interactive component, *low density,* measures the effect of sparsely populated areas with no defense facilities. The other interactive component, *defense facilities,* gauges the influence of a large defense industry presence when low density is set to zero. The use of an interaction term precludes standardization of the regression coefficients (Brambor et al. 2006). Therefore, I also report the effect of

[104] All available national security scores measure ideology based on previous voting patterns, producing similar problems in models of congressional voting behavior.

low density and defense facilities set to high and low values using CLARIFY (King et al. 2000).

Findings

Economic Reliance

In an environment of relatively low international threat, what factors perpetuate high levels of defense spending? Table 3.1 exhibits the effect of economic and political factors on members' average level of support for defense expenditures from 1993-1998.

Table 3.1: Influence of Economic Reliance on U.S. House Members' Support for Defense Expenditures in the 103rd-105th Congresses

	Coefficients			
Independent Variables	103rd Congress (1993-1994)	104th Congress (1995-1996)	105th Congress (1997-1998)	103rd Congress (Condensed)
Low density* Facilities [a]	.00114* (.000534)	.00148** (.000458)	.000907*† (.000498)	--
Low density [a]	.00183** (.000611)	.00202*** (.000527)	.00168** (.000572)	.00219*** (.000590)
Defense Facilities	-.201* (.102)	-.265** (.087)	-.162 (.095)	.017** (.005)
Military Population [a]	.00329* (.00159)	.00170 (.00135)	.00356* (.00145)	.00338* (.00159)
Defense Committee	.097** (.037)	.046 (.031)	.037 (.053)	.098** (.037)
Defense Contribution [a]	.00288*** (.000625)	.00232*** (.000641)	.00275** (.000794)	.00287*** (.000627)
Party (1=Republican)	.436*** (.026)	.399*** (.022)	.337*** (.024)	.437*** (.025)
	N=434 Prob>F=0.00 R^2=.52 Adj. R^2=.51	N=434 Prob>F=0.00 R^2=.59 Adj. R^2=.58	N=435 Prob>F=0.00 R^2=.46 Adj. R^2=.45	N=434 Prob>F=0.00 R^2=.46 Adj. R^2=.45

Note: All entries are OLS coefficients. Standard errors are in parentheses. The dependent variable indicates the average roll call vote on controversial defense expenditures, defense cuts, and arms sale policies per district in the House of Representatives for each separate congressional term (scaled 0 to 1). Votes favoring increased defense expenditures, opposing defense cuts and relaxing arms sale restrictions are coded "1"; votes opposing defense expenditures, favoring cuts, and tightening arms sale restrictions are coded "0."

[a] In thousands

***p<.001; **p<.01; *p<.05 (two-tailed test), † (one-tailed test)

Controlling for partisanship, members of Congress with more economically reliant constituencies are more likely to vote for military expenditures than other members. All else equal, an increase in economic dependence (*low density*facilities)* associates with increased member support for defense spending across all three

congressional terms ($p \leq .05$). Indeed, members representing constituencies with more diverse economies bear fewer localized costs in voting against these measures.[105]

As expected, partisanship influences legislators' votes on defense policies.[106] Controlling for partisanship, however, additional political and constituency factors also shape congressional preferences on defense spending. An increase in the military population in a district yields greater support for defense expenditures ($p \leq .05$, 103rd & 105th Congresses). The statistically meaningful, positive relationship lends support for the theory that constituency context shapes legislative behavior, although the finding is not consistent across all three congressional terms. In addition, an increase in defense sector campaign donations associates with a greater rate of congressional support for military expenditures, all else equal ($p \leq .01$). The consistent, positive relationship between defense donations and congressional voting on defense spending indicates a mutually beneficial relationship uniting members of Congress and arms lobbyists in pursuit of shared goals.

There are a number of possible explanations for the symbiotic relationship between lobbyist and legislator. First, defense industries may attempt to 'grease the wheels' by giving to members from districts where their own corporations are located. Second, defense industries may give to members from districts with arms industries in attempts to consolidate support for the weapons sector. Third, industries

[105] Although *defense facilities* yields a negative value when low density is set to zero, the variable takes on a positive, statistically meaningful value when the interaction term is removed from the model. (All other variables perform consistently.)

[106] The model exhibits similar support for the theory of economic reliance when controlling for ideology instead of partisanship. (Multicollinearity prevents the use of both party and ideology in the same model ($r = .93$)).

may strategically support their congressional allies' continued tenure in office (see Hall & Deardorff 2006).

The results in Table 3.1 demonstrate a consistent, positive relationship at statistically meaningful levels between local economic reliance (*low density*facilities)* and congressional support for defense expenditures. However, the regression coefficients do not exhibit the magnitude of influence that economic reliance exerts on congressional voting patterns. The effect of a one-unit increase in the key variable of interest, *low density*facilities,* yields an exponential coefficient because the variable is multiplicative and contains a wide range of values (see Appendix 3.1). To assess the combined influence of *low density* and *defense facilities* on congressional voting behavior, Table 3.2 displays the expected values and estimated differences of congressional support for weapons spending when the interaction term and its component parts are set at high and low values.

The first column in Table 3.2 exhibits the expected value of a members' support for defense spending measures when the number of defense facilities in a district changes from its minimum to maximum value, given equal population density. The second column shows estimated differences in observing congressional support for defense expenditures when low population density moves from the 5th percentile (highly urban) to the 95th% percentile (highly rural) value, given an equal defense presence. The third column displays the combined effect of *low density*facilities.* The interaction term captures legislative support for defense expenditures when a district changes from a densely populated urban area with no defense facilities (no reliance) to a sparsely populated, rural district with a

concentrated defense presence (high economic reliance). For comparison, the fourth column shows the estimated changes in support for defense expenditures when the dependent variable changes from a Democratic vote to a Republican vote. The model holds other control variables constant at their respective means.

Table 3.2: Estimated Influence of Economic Reliance on U.S. House Members' Support for Defense Expenditures in the 103rd- 105th Congresses (Pooled)

Change in Independent Variable	Defense Facilities [a] (Min , Max)	Low Population Density [a a] (urban, rural)	Facilities*Low Density	Party (D, R)
Low	.590 (.009)***	.484 (.021)***	.320 (.050)***	.429 (.009)***
High	.787 (.043)***	.650 (.008)***	.956 (.050)***	.825 (.010)***
Difference	.198 (.048)***	.166 (.024)***	.636 (.069)***	.396 (.013)***
Percent Change	25.09%	25.52%	66.55%	47.98%

Note: Table 3.2 entries are calculated by the author from the multiple regression analysis in Table 3.1 using CLARIFY.
Entries are expected values and predicted changes in expected values. The standard errors of the predictions are in parentheses. All control variables are held constant at their sample means. Higher values indicate greater support for defense expenditures.

[a] Denotes increase in defense facilities setting population density at its sample mean.
[a a] Denotes increase in low population density setting defense facilities at its sample mean.
***p<.001

As the theory of economic reliance predicts, maximum defense sector presence in the most sparsely populated districts—high economic reliance—yields stunning levels of congressional support for weapons spending. Controlling for

partisanship and other factors, members of Congress from rural districts with maximum defense capacity support the military expenditures under examination 96% of the time ($p \leq .001$)! By contrast, members from highly urban areas with no defense facilities only support these weapons expenditures at a low rate of 32% ($p \leq .001$). The difference is striking: Representatives from the most economically reliant districts support military expenditures at 67% greater rates than members from districts with no conceivable economic gain ($p \leq .001$). The difference in weapons spending preferences between members whose constituencies have the most and the least to lose from the vote outcome would determine the success or failure of the programs under consideration. The change in district composition could thus transform the types of weapons systems in the U.S. arsenal.

At the same time, members of Congress from districts with a maximum defense capacity support military expenditures at 25% greater rates than members from districts with no major defense facilities, given equal population density ($p \leq .001$). Despite partisanship and other political pressures, the prospect of constituency gain encourages members of Congress to support increased spending for weapons development.

The results in Table 3.2 also support the theory that rural areas experience greater dependence on the defense industry than their urban counterparts with an equal defense presence. Given *an equal number of defense facilities*, members from more sparsely populated areas are 26% more likely to support increased defense expenditures than members from the most densely urban areas ($p \leq .001$).

As expected, partisanship yields considerable influence on these vote outcomes. All else equal, Republicans are 48% more likely to support weapons expenditures examined than their Democratic colleagues ($p \leq .001$). However, even the influence of partisanship—a deeply ingrained institutional mechanism—does not exceed the effect of constituency reliance on congressional voting for the weapons expenditures under study.

These findings suggest that economic reliance facilitates substantial congressional support for weapons programs. Members from districts that are disproportionately reliant on the defense sector are considerably more likely to prefer larger defense budgets than members from districts that have no economic stake in the program. Indeed, the combined effect of *low density* and *facilities* yields a stronger influence on member preferences than the sum of two variables alone, highlighting the independent effect of the interaction term. Despite the highly partisan battles over budget-cutting and a "[frayed]…tradition of bipartisanship" in the 103rd and 104th Congresses (Aldrich and Rohde 2000, 16-17), economic factors exerted substantial pressures on members' willingness to support defense programs.

How Parties Matter

Table 3.3 displays the effect of constituency dependence, partisanship, committee membership, and defense sector contributions on congressional support for weapons spending among Democratic and Republican House members, respectively.

The models control for members' ideological predispositions (using DW-NOMINATE scores)[107] and include other important control variables.

Table 3.3: Influence of Economic Reliance on Democratic & Republican House Members' Support for Defense Expenditures in the 103rd – 105th Congresses

	Coefficients					
	103rd Congress (1993-1994)		104th Congress (1995-1996)		105th Congress (1997-1998)	
Independent Variables	Democrats	Republicans	Democrats	Republicans	Democrats	Republicans
Low density* Facilities [a]	.00141* (.000742)	.00201* (.00113)	.00218** (.000695)	.00113 (.000767)	-.0000184 (.000650)	.00277* (.00372)
Low density [a]	.000270 (.000589)	-.00924*† (.00495)	.000524 (.000510)	-.000955 (.00303)	.000483 (.000620)	-.00372 (.00454)
Defense Facilities	-.247*† (.141)	-.384*† (.219)	-.391** (.132)	-.206 (.148)	.018 (.123)	-.528* (.237)
Military Population [a]	.00231 (.00168)	.00498 (.00295)	.00301* (.00155)	-.00106 (.00198)	.00352*† (.00190)	.00191 (.00205)
Defense Committee	.074*† (.043)	.143** (.054)	.071*† (.041)	.027 (.038)	.143 (.094)	.015 (.057)
Defense Contribution[a]	.00290*** (.000658)	-.0000661 (.00119)	.00321** (.000912)	.00140 (.000761)	.00296* (.00147)	.00175* (.000851)
Ideology (Conservative)	.689*** (.089)	.438** (.129)	.632*** (.090)	.239** (.083)	.668*** (.106)	.042 (.085)
	N=258 Prob>F=0.00 R^2=.47 Adj R^2=.45	N=176 Prob>F=0.00 R^2=.16 Adj R^2=.12	N=200 Prob>F=0.00 R^2=.54 Adj. R^2=.52	N=234 Prob>F=0.00 R^2=.11 Adj. R^2=.09	N=207 Prob>F=0.00 R^2=.34 Adj R^2=.32	N=228 Prob>F=0.00 R^2=.09 Adj R^2=.06

Note: All entries are OLS coefficients. Standard errors are in parentheses. The dependent variable indicates the average roll call vote on controversial weapons expenditures, defense cuts, and arms sale policies analyzed separately for Democratic (column 1) & Republican (column 2) members of the U.S. House in each separate congressional term (scaled 0 to 1). Votes favoring increased defense expenditures, opposing defense cuts and relaxing arms sale restrictions are coded "1"; votes opposing defense spending in these three types of bills are coded "0."

[a] In thousands ***p<.001; **p<.01; *p<.05 (two-tailed test), † (one-tailed test)

[107] DW-NOMINATE scores are voting patterns aggregated by Poole & Rosenthal (1991) as a measure of intraparty homogeneity. The measure is typically employed to capture Congress members' ideological leanings. I apply the scores to offer a more rigorous test of the economic hypotheses. Higher, positive scores indicate stronger loyalty to Republican Party positions, or more conservative voting patterns; negative scores indicate stronger Democratic Party loyalty, or more liberal voting patterns.

Elaborating on the findings in Table 3.2, which demonstrates the effects of economic reliance on congressional support for defense spending, Table 3.3 shows that a more economically dependent, rural constituency *(low density*facilities)* is one of the most consistent pressures leading Democratic representatives to break the party line and vote in favor of defense expenditures. Indeed, immediately following the Republican takeover in 104th Congress—when partisanship was presumably at its peak (Aldrich & Rohde 2000)—local economic reliance nonetheless associated with greater Democratic support for defense expenditures ($p \leq .01$).[108]

Further, other important political influences encourage Democratic members' support for defense expenditures. As exhibited in the full model, Democratic members from districts with a high military population demonstrate greater likelihood to support defense expenditures than other members, all else equal ($p \leq .05$ one-tailed test, 104th, 105th Congresses). The influence of military personnel on congressional voting patterns lends additional support for the constituency-based theory of representation. Additionally, campaign contributions from the defense sector consistently correspond with greater levels of support for defense spending among Democratic members ($p \leq .05$). The consistent, positive relationship suggests that defense industry management strategically donates to their Democratic congressional allies in a mutually beneficial attempt to assist with these members' re-election efforts.

[108] Consistent with the results in Table 3.2, the negative coefficient associated with the interactive component, *defense facilities,* takes on a positive, statistically meaningful value when the interaction term is removed from the model. All the other variables perform consistently when the interaction term is excluded.

Democrats belonging to defense committees also exhibit greater tendencies to support defense expenditures than other Democratic members. The time period under study provides an interesting test of committee priorities. In the 103rd Congress, House Armed Services Committee Chairman Ronald Dellums (D-CA) brought a number of bills to the floor to cut defense expenditures, reduce reliance on the arms industry, and restore a balanced budget. Two senior Democrats on the Defense Appropriations Subcommittee, Chairman John Murtha and Norm Dicks, sought to fend off such cuts. Despite Dellums' strong leadership, the positive coefficient associated with this variable indicates that, all else equal, Democratic members belonging to defense committees supported military expenditures more than other Democrats ($p \leq .05$, one-tailed test).

The findings for Republican members tell a somewhat different story. It is immediately striking that no variable under examination exhibits a consistent influence on Republican support for defense measures across all three time periods. Further, the effects of economic and political factors on members' voting behavior are not as strong or as uniform among Republican members as for their Democratic counterparts. Nonetheless, the positive value associated with *low density*facilities* demonstrates that Republicans with economically reliant constituencies are more likely to support defense spending than other Republicans, controlling for ideology and other factors ($p < .05$, one-tailed test, 103th, 105th Congresses).[109] In addition, during the 103rd Congress, Republican defense committee members voted in favor of

[109] Although the interaction term gauging the effect of economic reliance is not statistically significant in the 104th Congress, the effect of defense facilities takes on a positive, statistically meaningful value when the interaction term is removed from the model ($p < .05$, 104th Congress). The other variables in the model all perform consistently when the interaction term is dropped from the model.

defense expenditures at greater rates than other Republicans—in spite of Dellums' effort to reduce the defense budget ($p<.01$). As expected, ideological predispositions do exert some influence on Republican voting patterns on defense measures ($p<01$, 103rd & 104th Congresses). However, the variable does not perform consistently across all three congressional terms at statistically meaningful levels.

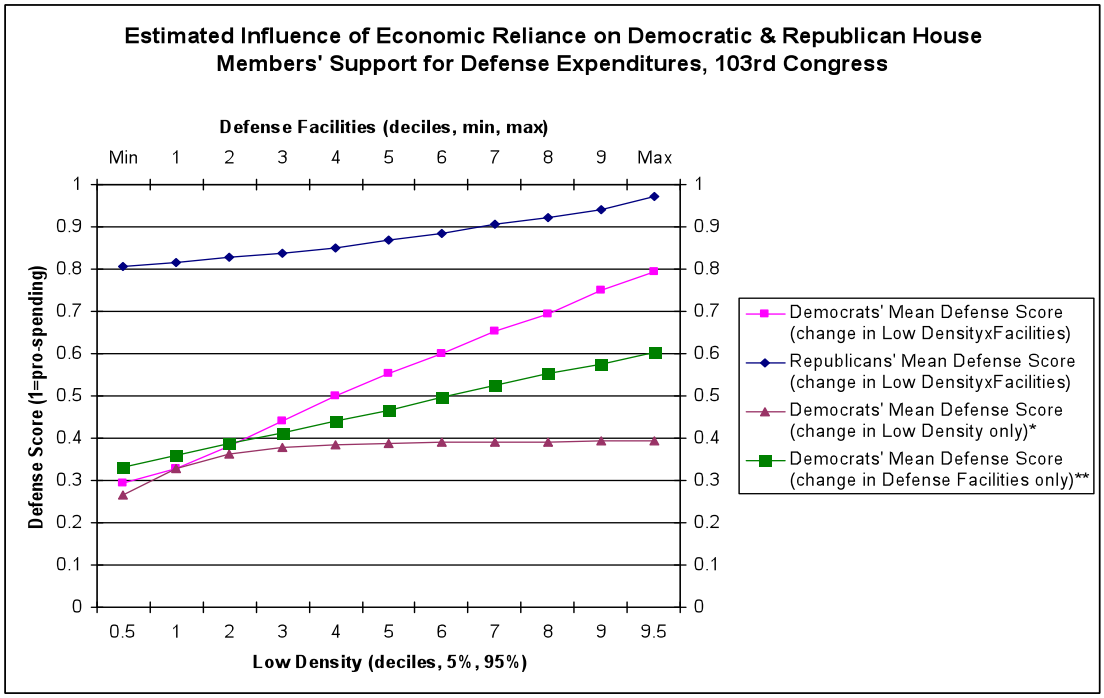

Figure 3.1 – Estimated Influence of Economic Reliance on Democratic & Republican House Members' Support for Defense Expenditures, 103rd Congress (1993-1994)

Note: Figure 3.1 displays expected values calculated by the author from the multiple regression analysis in Table 3.3 using CLARIFY. All control variables are held constant at their sample means.
*Denotes increase in low density setting arms facilities at its sample mean.
**Denotes increase in defense facilities setting low density its sample mean.

Figure 3.1 illustrates how economic reliance shapes Democratic and Republican support for defense programs. Despite the parties' distinct voting patterns, the combined influence of *defense facilities*low density* corresponds with a substantial change in both Democratic and Republican members' support for defense spending during the 103rd Congress. The interaction between defense sector presence

and rural geography exhibits a positive, linear trend when explaining Democratic voting behavior, changing from an estimated 30% support in urban districts with no facilities to approximately 80% support in rural districts with a concentrated defense presence (50% change). Economic reliance encourages Democratic members to support defense expenditures to a considerably greater extent than rural geography (27% change), a stronger defense industry presence (13% change), or the sum of these two variables.

By contrast, Republican support for defense expenditures hits a low point of 80% support in urban areas with no defense facilities and approaches nearly 100% support in the most economically reliant districts. Given the strong, uniform Republican support for these measures documented in Figure 3.1, it is not surprising that economic reliance has a greater influence on Democratic members' support for defense programs than their Republican counterparts. Indeed, Republicans represent more economically reliant districts on average than their Democratic colleagues, suggesting that local economic characteristics may reinforce the party's "pro-defense" stance on military spending.[110]

Further, and exceeding theoretical expectations, *nearly every economic and political factor examined* in Table 3.3 shapes Democratic members' support for defense expenditures to a greater extent than Republican members'. The goodness of fit statistic diminishes by nearly one fifth of its size in the model explaining variance in Republican (as opposed to Democratic) voting patterns on defense policies. Indeed, there is far less variation among Republican representatives to explain! Members of

[110] The larger mean value for *low density*facilities* in Republican districts indicates greater overall economic reliance among these members (see Appendix 3.3).

the Republican Party are already inclined to vote pro-defense based solely on their partisanship.

Controversial Weapons Programs

Table 3.4 displays the effect of economic and constituency factors on Democratic and Republican support for controversial weapons expenditures, defense cuts, and policies relaxing or restricting arms sales, respectively. I pooled the voting averages across the 103rd, 104th, and 105th congressional terms in order to increase the number of cases examined. To do so, I calculated the average 'pro-spending' voting score for each spending category and recorded the total 'pro-spending' ratio.[111] The first column under each vote type displays the results for Democrats. The second column of each heading exhibits the effects among Republicans.

[111] I do not use fixed effects because the roll call averages are pooled across Congresses. However, Tables 3.1 & 3.3 demonstrate that the variables under study perform similarly across the relevant years. This stability over time minimizes the need for a control for time period.

Table 3.4: Influence of Economic Reliance on Democratic & Republican House Members' Support for Defense Expenditures By Vote Type (103rd-105th Congresses, Pooled)

	Coefficients					
	Controversial Weapons		Defense Cuts		Arms Sales	
Independent Variables	Democrats	Republicans	Democrats	Republicans	Democrats	Republicans
Low density* Facilities [a]	.000861* (.000387)	.00154** (.000597)	.00166*** (.000430)	.00254*** (.000601)	.00131*** (.000390)	.000412 (.000529)
Low density [a]	.000543*† (.000324)	-.00363 (.00241)	.00153*** (.000360)	-.00481* (.00243)	.000570*† (.000326)	.00171 (.00214)
Defense Facilities	-.133*† (.073)	-.285* (.116)	-.295*** (.082)	-.477*** (.116)	-.227** (.074)	-.072 (.102)
Military Population [a]	.00259** (.000962)	.00155 (.000137)	.00391*** (.00107)	.000997 (.00138)	.000299 (.000970)	-.00255* (.00122)
Defense Committee	.056* (.028)	.064* (.028)	.034 (.031)	.063* (.028)	.013 (.028)	.020 (.025)
Defense Contribution [a]	.00263*** (.000487)	.00120* (.000539)	.00223*** (.000542)	.00114* (.000543)	.00238*** (.000491)	.00168*** (.000478)
Ideology (Conservative)	.688*** (.053)	.188*** (.058)	.763*** (.059)	.172** (.058)	.495*** (.053)	.057 (.051)
	N=666 Prob>F=0.00 R^2=.48 Adj R^2=.47	N=639 Prob>F=0.00 R^2=.10 Adj R^2=.09	N=666 Prob>F=0.00 R^2=.46 Adj. R^2=.46	N=639 Prob>F=0.00 R^2=.11 Adj. R^2=.10	N=666 Prob>F=0.00 R^2=.34 Adj R^2=.33	N=639 Prob>F=0.00 R^2=.06 Adj R^2=.05

Note: All entries are OLS coefficients. Standard errors are in parentheses. The dependent variable indicates the average roll call vote on controversial weapons expenditures, defense cuts, and arms sale policies (respectively) for Democratic members of the U.S. House pooled across the 103rd, 104th, and 105th Congresses (scaled 0 to 1). Votes favoring increased defense expenditures, opposing defense cuts and relaxing arms sale restrictions are coded "1"; votes opposing defense spending in these three types of bills are coded "0."

[a] In thousands ***p<.001; **p<.01; *p<.05 (two-tailed test), † (one-tailed test)

The results in Table 3.4 demonstrate the consistency with which economic reliance on defense dollars influences Democratic members' revealed preferences for defense expenditures. All else equal, Democrats with more economically reliant constituencies support every type of defense expenditure examined at a greater rate than other Democrats. A large defense presence in more rural areas encourages Democratic members to oppose defense cuts ($p \leq .001$), support controversial programs ($p \leq .05$) and vote to relax arms sales restrictions ($p \leq .001$) more than other Democrats.[112] While economic dependence exhibits the largest effect on defense cuts, the shared threat of economic hardship affects legislative voting on both targeted and generalized weapons expenditures. Senator David Pryor (D-AR) captured this sentiment of reciprocity when explaining his vote to continue to fund the controversial Seawolf Submarine over the protests of Secretary of Defense Dick Cheney: "When my military jobs get in trouble, if we have not made that [economic] transition…I hope the same people that asked me for my help will…remember our…workers and our plight" (Center for Defense Information Transcript 1992).[113]

The presence of military personnel in a district encourages Democratic legislators to resist defense cuts ($p \leq .001$) and to support controversial weapons expenditures ($p \leq .01$), but has no statistically meaningful effect on arms sale policies. Democrats receiving larger defense sector contributions, however, demonstrate

[112] The results displayed no substantial difference when I disaggregated different types weapons systems classified as politically or strategically controversial.

[113] Addressing the Senate Budget Committee as Defense Secretary in 1992, Dick Cheney admonished Congress for refusing to cancel the program: " [W]e've identified these programs [for budget cancellation], and the SSN-21 specifically, because the thing that was driving that construction program was our anticipation of improved Soviet submarine capabilities" (Center for Defense Information Transcript 1992).

greater support for arms sales and controversial weapons systems and mount stronger opposition to defense cuts than Democrats who receive smaller defense contributions ($p \leq .001$). Finally, contrary to initial expectations, members' ideologies (as indicated by DW-NOMINATE scores) exhibit a similar effect on Democratic members' opposition to defense cuts and support for controversial weapons ($b = .763, .688$ $p \leq .001$).

Republican members' voting behavior largely mirrors their Democratic counterparts. While economic and constituency factors are less effective in explaining Republican support for defense expenditures, the two parties nonetheless behave similarly across policy types. All else equal, economic reliance on defense dollars encourages Republican members to oppose defense cuts ($p \leq .001$) and to support controversial weapons programs ($p \leq .01$) more than other Republicans, though it has no meaningful effect on arms sale policies.

Defense sector contributions also correspond with Republican support for military spending. Though these effects are not as strong among Republicans as Democrats, the positive association is consistent across policy types. The relationship between Republican legislators and the arms industry is strongest in Republican support for foreign arms sales ($p \leq .001$). By contrast, the number of military personnel in a district does not encourage greater Republican support for any of the defense expenditures discussed. In fact, Republican members from districts with a higher military population are *less* likely to support arms sale policies than other Republicans ($p \leq .05$). This negative value might account for the anticipation of future threats that these weapons may pose to U.S. troops. Military personnel may

encourage Democrats to support defense expenditures more than Republicans because they otherwise lack a partisan predisposition to vote for these policies.

Unlike other factors examined, defense committee membership exerts a greater influence on Republican support for weapons spending than it does for Democrats. Republicans belonging to defense committees were more likely to support controversial weapons expenditures and to oppose defense cuts than other Republicans, all else equal ($p \leq .05$). Arms sales policies, however, do not generate similar support among Republican defense committee members. The relationship suggests that Republican committee members are following leadership strategies on the policies explicitly discussed in the Republican Contract with America.

DW-NOMINATE scores exhibit similar patterns among Republicans as for Democrats. While the magnitude of this effect diminishes substantially, it appears that the variable encourages slightly greater Republican support for controversial weapons ($b = .188$ $p \leq .001$) than for defense cuts ($b = .172$ increase, $p \leq .01$) and has no meaningful influence on arms sale policies. These results suggest that conservative-oriented members tend to rally together not only in opposition to defense cuts, but also in support of controversial weapons expenditures. The finding is especially notable, considering that prominent defense "hawks" such as previous Secretary of Defense Dick Cheney and General John Shalikashvili (then Joint Chief of Staff Chairman) opposed these programs (Bender & Robinson 1997; CDI Transcript 1992).

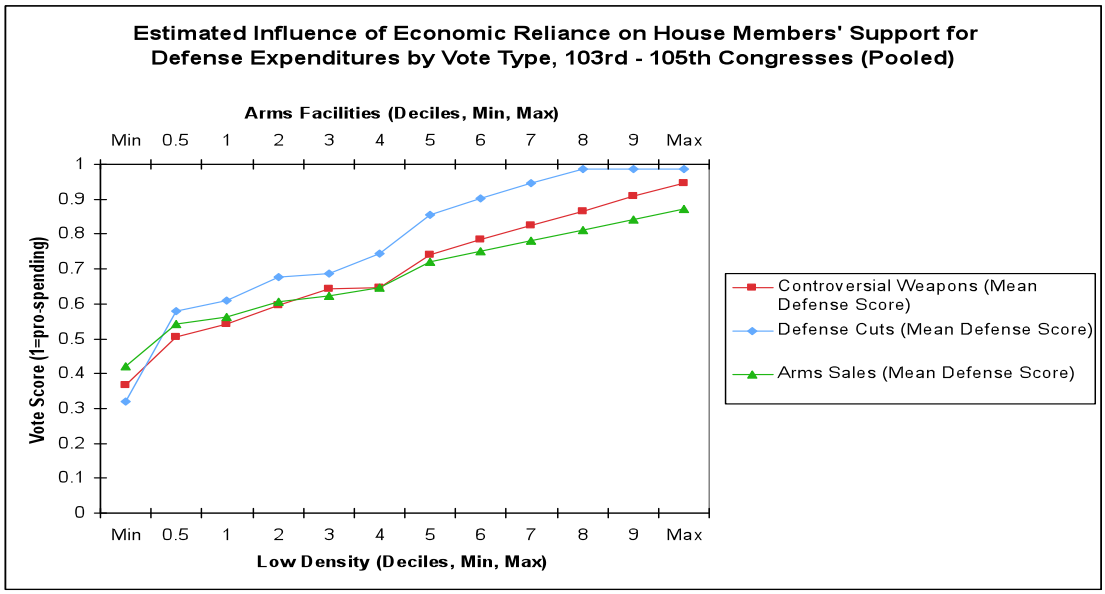

Figure 3.2 – Estimated Influence of Economic Reliance on House Members' Support for Defense Expenditures by Vote Type, 1993-1998 (Pooled)

Note: Figure 3.2 displays expected values calculated by the author from the multiple regression analysis in Table 3.4 using CLARIFY. All control variables are held constant at their sample means.

Figure 3.2 reveals that economic reliance exerts a similar effect on members' support for defense expenditures across policy type. All else equal, economic reliance yields consistent, almost uniform support for all three types of defense expenditures. Indeed, none of these weapons systems would garner a majority of congressional support if voting was restricted to legislators from areas with no economic stake in the program. While economic reliance yields the largest influence on members' opposition to defense cuts, legislative support for controversial weapons and arms sale policies follow similar patterns. These findings suggest that defense cuts, arms sale policies and controversial weapons expenditures all threaten economic vulnerabilities, which in turn influence representative voting behavior in more rural, economically dependent localities.

Conclusion

Commerce subcommittee chair Harold Rogers (R-KY) captured the severe fiscal effect of the post-Cold War budget crunch by referring to 1995 as "the year to eat bugs and drink rainwater" (CQWR 7-1, cited in Aldrich and Rohde 2000, 15). Yet, despite the need for cutbacks, in 1995-1996 the House failed to pass a single proposal for defense cuts that came to a floor vote. The only resolution proposing a defense cut that did pass in the entire time period under study reduced the amount spent for maintaining bases overseas (HR2401, HRC 419, 9/9/93).

Constituency reliance on the defense sector helps explain why it is difficult for Congress to cut funding for military procurements and why members continue to fund strategically questionable weapons programs: Members of Congress support programs that are critical to widely shared economic interests in their district. Evidence presented here suggests that more economically homogenous, rural constituencies not only experience greater dependence on the major companies in their district, but also exhibit clearer, more pervasive preferences for military spending than diverse, urban settings with multiple, cross-cutting constituencies. Providing local economic support is a more straightforward process for representatives from rural areas than for their urban counterparts (also see Bailey & Brady 1998). Indeed, Democratic Representative Norm Dicks' website boasts of his support for an initiative to build a new nuclear attack submarine for "special operations" by emphasizing the likelihood that the submarine would be based at the Bangor Naval Submarine Base—the largest employer in his Washington district.

As Defense Secretary under George H.W. Bush, Dick Cheney urged Congress to eliminate the V-22 Osprey, a tilt-rotator helicopter designed to carry marine troops to shore: "You've directed me to buy the V-22, a program I don't need…You've directed me to buy more [fighter jets]…Congress has directed me to spend money on all kinds of things that are not related to defense, but mostly related to politics back home in the district." Despite repeated crashes in test simulations, time delays and cost run-ups, the 1998 House appropriations bill allocated an extra $78 million—in addition to $611 million included in the Senate bill—for the V-22 Osprey.

Congressional incentives to support programs that help sustain economically reliant districts perpetuate weapons systems during periods of reduced threat and changing defense needs—regardless of whether top Pentagon officials prioritize these systems or consider them to be strategically necessary. Defense contractors also have incentives to spread out their operations across multiple districts to precisely to attract this sort of political support for weapons programs. Such institutional incentives may lend insight to problems of inefficiency and unmet strategic needs that military personnel commonly face (Gansler 2003).

The role of constituency reliance is particularly important in explaining Democratic members' voting behavior on defense measures because they do not have a partisan predisposition to support these policies. Moreover, economic factors may reinforce partisan behavior for many Republican members, as this party tends to represent more rural areas that are more heavily dependent on defense expenditures (see Appendix 1). Still, constituency reliance on the defense sector motivates members of both parties to support spending for every type of defense policy

examined. Evidence suggests that economic goals in more dependent, rural areas influence political representation and perpetuate U.S. defense production independent of national security requirements.

Chapter 4: The Role of Economic Reliance in Defense Procurement Contracting

"[Defense contracting] has become a requirements stampede. What we've been doing is analogous to someone who is designing a home and gives their architect all the must-haves and like-to-have and then is billed $300 per square foot."
-Rep. Duncan Hunter (R-CA), Armed Services Committee Chairman (*Congress Daily,* 5/5/2005)

Representative Hunter's depiction of inefficiency and waste in defense contract allocations does not escape the attention of commentators and concerned citizens. Critics have characterized many U.S. weapons expenditures as wasteful profiteering and an "abuse of national security dollars," and have encouraged taxpayers to "rap the industry on the snout" (quoting Democracy Arsenal 6/22/06; also see Center for Defense Information (various years); Project on Government Oversight (various years)). Congress is widely perceived as part of the problem: Congress members seek defense benefits for their constituencies; at the same time, the defense industry spreads benefits strategically in order to stimulate congressional support for defense spending. Institutional structures thus encourage excessive spending and misallocations of resources.

Despite conventional wisdom that politics plays an important role in defense spending, political scientists have found little evidence that defense contracts are distributed to advance Congress members' reelection interests. Instead, political

scientists have generally found that prime defense contracts[114] are awarded to a limited number of highly concentrated locations with corporate defense headquarters, usually in large cities (Markuson et al. 1991; Mayer 1991). Analyses considering whether the Department of Defense (DoD) directs prime contracts into the districts or states of key Congress members—particularly those on the Armed Services committees and Defense Appropriations subcommittees—have yielded predominantly negative results (Goss 1972; Rundquist 1973, 1978; Ray 1981b; Lindsay 1991; Mayer 1990, 1991; Markuson et al., 1991, 40; but also see Rundquist & Carsey 2002). This line of research presents problems for pork barrel theories. As Kenneth Mayer (1991, 4) acknowledges, these studies often lead to unconvincing arguments explaining why Congress lacks influence in the distribution of defense contracts. Nonetheless, most previous work appears to contradict the notion that Congress members align with Pentagon officials and defense sector management in pursuit of mutually entangled benefits.

This research reconsiders the role of politics in defense spending in two ways. First, I theorize that any account of the distributive politics of defense spending must consider areas that are disproportionately reliant on defense employment. The theory of economic reliance presented in Chapter 3 suggests that rural areas with less diverse economies stimulate greater political incentive to procure defense dollars that an urban area with an equal defense presence. Second, the project tracks prime contracts

[114] Prime defense contracts refer to the military procurements awarded by federal agencies. Principal assignments (or subcontracts) occur when prime contractors or defense industry management award contracted weapons systems to another location or company. (I use the terms 'prime' and 'primary' interchangeably.)

to the subcontracting level,[115] where the preponderance of defense dollars eventually go. Indeed, as Mayer (1990, 218) points out, "Scholars and procurement analysts have long suspected that prime contractors distribute subcontracts…so as to maximize the geographic spread of acquisition programs." While researchers commonly presume that politics does influence the distribution of subcontracts (also see Rundquist 1978), data limitations have precluded a systematic examination.

The analysis unfolds in two main parts: First, evidence shows that the geographic composition of the defense sector influences defense committee composition in the House of Representatives. Second, I find that while defense industry headquarters receive the bulk of prime contract dollars, my focus on a secondary stage in the contracting process—as opposed to previous academic work—uncovers a striking pattern of defense projects flowing to economically reliant districts.

The study identifies local dependence on the defense sector as the most important factor leading members of Congress to seek representation on defense committees and to procure defense benefits. The findings are also consistent with the inference that defense industries spread out their operations across multiple districts in order to stimulate greater political demand for weapons systems (Mayer 1990). Taken in the aggregate, the consequences for national policy are likely to be excessive weapons spending and difficulty prioritizing defense expenditures in pursuit of strategic national goals.

[115] Contract benefits distributed after the prime contracting stage are either distributed to a company's own facilities and subsidiaries, or subcontracted out to another company. To minimize confusion, I apply the term 'subcontracting' loosely, referring to both scenarios.

A Theory of Overlapping Institutional Incentives

Defense contract decisions filter through numerous political networks. The Pentagon proposes the initial defense budget requests and submits its requests to Congress. The President's bill goes to the House and Senate Defense Appropriation Subcommittees, which debate and amend various provisions. The subcommittees then submit the amended bill to Congress for final budgetary authorization. In an overlapping sphere, the Armed Services Committees authorize all funds and conditions for their expenditures, and they report needs for specific weapons and research and development (R&D) to the DoD. The Pentagon determines the final allocation for weapons production and research grants within the limits of their budgetary authorization. Prime contractors then distribute an array of assignments and subcontract projects out to other companies. This includes decisions concerning the principal location for the construction of contracted weapons systems. The reciprocal incentives motivating Congress, key members assigned to defense committees, the defense bureaucracy, and the defense sector—revenue, employment, and electoral job security—shape the distribution of defense procurement outlays.

Committee Processes

Constituents want jobs, organized lobbyists and corporations desire revenue, and political actors seek to facilitate these demands for the sake of both personal and collective gain. The committee system serves as a prominent vehicle by which Congress members seek to prioritize these goals and optimize their ability to claim

credit to their constituents during a reelection campaign (Fiorina 1987; Weingast and Marshall 1988; Shepsle and Weingast 1994). Congress members on defense committees demonstrate a concern for local interests by vying for constituency benefits (Weingast and Marshall 1988; Shepsle and Weingast 1994).

Previous analyses of defense committees have found the Armed Services Committee draws Congress members from districts with large military bases and high levels of employment in armed services (Adler & Lapinski 1997; Goss 1972; Arnold 1979; Rohde & Shepsle 1973). Scholars have also found that both committee-based log-rolling arrangements (Ray 1980; Carsey & Rundquist 1997) and partisan influences (Bickers and Stein 2000; Carsey & Rundquist 1999; Rundquist & Carsey 2002) contribute to geographic disparities in the allocation of defense spending. Adler & Lapinski's (1997) test of their "demand-side" theory demonstrates that constituency 'need' was almost always significantly higher for members of committees than for the typical member of Congress, thus empowering the most reliant members with the charge of policy-making.[116]

Data presented here allow for an examination of the effect of the commercial arms industry on defense committee composition and contract allocations. The analysis reinforces the excessive reliance thesis advanced in this dissertation. While Adler & Lapinski measure district 'need' based on the absolute number of military

[116] However, the authors note that, "Absent from the profile of high need districts for Armed Services is a measure of civilian employees of military contractors" (901). The authors' rationale for the exclusion points to the "[practical] impossibility" of collecting reliable employment data related to defense contractors and subcontractors for each congressional district across multiple decades. However, by tracking the locations of commercial defense industries, this research affords a reasonable measure of local demand for defense contracts.

bases in a district, I conceptualize *disproportionate demand* based on the relative *concentration* of the defense industry in a district. Building off of my analysis in Chapter 3, I argue that Congress members from more sparsely populated, rural districts with a defense sector presence have greater incentives to focus on defense spending than members from urban districts with defense industries scattered amongst a more diverse industrial base. The political incentive for a member to prioritize defense spending is not merely a function of the absolute numbers of defense installations in his/her district, but of the proportion of defense facilities relative to other industries.

Controlling for the number of defense facilities in a district—the capacity to receive defense projects—members from rural areas with less diverse economies will be more likely to join defense committees than their urban counterparts. By the same logic, Congress members from small towns are likely to receive greater credit for acquiring projects that bolster local employment opportunities. Additionally, it is much easier for members to claim credit for benefits concentrated in larger, more sparsely populated rural districts than in more densely populated, urban areas that cut across multiple districts. More rural geography thus diminishes the collective action problems that urban members are likely to face when their district's residents can benefit from employment opportunities in nearby, neighboring districts. Finally, and perhaps most critically, the relative effect of contract benefits in rural areas exceeds that of more industrialized and populated areas, as the growth or decline of a major industry in a rural setting or small town could revitalize or wreck a local economy (see Arnold 1979, 34). In broader terms, this theory posits that rural constituencies

are likely to experience inordinate dependence on the major industries in their locality, which in turn encourages representatives from these areas to seek distributive benefits that will contribute to existing infrastructure.

Specifically, members from more industrially homogenous areas will place a greater premium on maintaining and increasing defense employment levels than Congress members from urban centers with more diverse economies. The theory that economic dependence motivates defense committee composition leads to the following hypothesis:

> *H1: Congress members from districts that are more dependent on defense employment will demonstrate a greater likelihood to join defense committees, controlling for the number of defense facilities in a district and other factors likely to lead members of Congress to seek a defense committee assignment.*

Defense Contract Allocations

Do key Congress members influence the distribution of contract benefits? Hall (1996, 1987) demonstrates that different levels of committee participation correspond with Congress members' revealed 'preference intensity.' While these insights suggest that members' varying priorities influence internal congressional affairs, there is some question as to whether such biases among members of Congress affect policy outcomes. I theorize that members whose constituencies have a greater economic stake in defense contract allocations will have stronger incentive to seek program benefits. If preference intensity influences committee processes and contract

allocations, then benefits will flow to the most economically dependent constituencies.

Early studies focusing on procurement outlays suggest that constituencies do not reap considerable benefits from representation on defense committees (Rundquist & Griffith 1976; Goss 1972; Rundquist 1978; Ray 1981b). However, there is reason to suspect that earlier work focusing solely on the allocation of prime contract dollars may have understated political factors that influence these processes. Prior academic literature on defense contracting has suffered from a lack of reliable data on subcontracting (Rundquist 1978; Mayer 1990; Markuson et al. 1991, 14; also see U.S. GAO 1998). While prime procurement outlays may flow to wealthy, urban areas, these funds 'trickle down' to other areas in the form of subcontracts (see Mayer 1990, 218-231; Rundquist 1978). Fifty percent of prime contract dollars are typically made available for subcontracts (Mayer 1990, 220, citing Gansler 1980). Given regulations in governing contracts and standard operating procedures, the Pentagon itself may not distribute prime contracts politically. Prime contractors, however, enjoy wide discretion in distributing assignments and selecting suppliers for parts or technical services for weapons programs. Indeed, subcontracts are not subject to the same Federal Acquisition Regulation constraints and typically generate less visibility and reduced controversy.[117] While prime contract distributions are not as susceptible to political manipulation (Mayer 1990, 1991; Lindsay 1990, 1991), subcontracting allows more leeway for political effects.

[117] According to Defense Federal Procurement and Acquisition Policy guidelines, a contractor may select a subcontractor on a non-competitive basis (one that does not offer the lowest price) as long as s/he has "adequately substantiated the selection as offering the greatest value to the government" (U.S. Department of Defense: Office of Secretary of Defense. Defense Federal Acquisition Regulation Supplement, Effective 17 August 1998, Section 244.02-2).

Evidence suggests that prime contractors purposely spread assignments for defense programs over wide expanses. Mayer (1991, 9) finds that prime contractors commonly include more than 45 states and 250 congressional districts. A broad distribution of benefits can encourage legislators to favor a program that might not otherwise receive support. While more minor subcontracts are not as likely to influence representatives, new data on the "principal place of performance" allows me to target secondary contract assignments that include the bulk of prime contract distributions. Research focusing exclusively on political influences on primary contracts does not address these critical dissemination stages.

Additionally, previous work finding that economic need has no meaningful impact on the distribution of prime defense contracts (Markuson et al. 1991; Rundquist & Carsey 2002) have not examined a state or district's economic reliance on a particular sector of the economy. In other words, while lower state GDP may indicate greater economic need generally, this does not correspond with a specific need for defense expenditures, as opposed to other kinds of government assistance. While I expect that money will go to districts with a substantial defense sector presence, the results of Chapter 3 demonstrate that defense facilities in rural locations spur a uniquely high political demand for weapons programs. A conditional relationship between rural geography and a high defense sector concentration provides a more precise measure of a district's economic reliance on defense projects.

While one might expect representatives from more economically homogenous areas to pursue multiple types of government contracts—not simply defense dollars—I expect that more economically homogenous areas *with defense facilities* will rely

specifically on defense revenue to protect existing infrastructure. The size and scope of the defense sector relative to other industries suggests more economic dependence on defense revenue than on other types of government spending, such as transportation dollars.[118] Further, government can negotiate defense procurements when soliciting bids is impractical, inviting greater opportunity for political distributions than other industries (Kovacic 1990, 110).[119] As the sole legal purchaser in a market with a small number of active suppliers, government has an added incentive to keep major defense industries profitable.

If industrial and nonparochial considerations drive defense spending decisions, defense dollars will flow to districts with a substantial number of defense facilities but a district's economic *reliance* on defense spending will have no additional effect. However, if this theory of economic reliance influences defense contracting, data on defense allocations will support the following hypothesis:

H2: Contract benefits will flow disproportionately to rural districts, controlling for both the number of facilities in the district and congressional representation on defense committees.

Research Design

The hypothesis testing is carried out with original data on the nationwide locations of the defense sector. If local economic reliance on defense revenue

[118] The Department of Defense budget is slated for $514.4 billion in FY2009 (including $183.832 billion in procurements and R&D), compared to $68 billion slated for the Department of Transportation expenditures in FY2009.

[119] According to the Center for Public Integrity, no-bid contracts account for 40% of defense obligations from 1998-2004, averaging $150 billion per year. Subcontracts, of course, are not subject to Federal Acquisition Regulations, offering contractors even wider discretion in these distributions.

influences political demand, then the presence of defense facilities in more economically homogenous locations will influence 1) defense committee membership in the House of Representatives and 2) the distribution of defense procurement outlays from 1999-2005. I extend the scope of previous analyses by assessing the role of district reliance in the distribution of defense subcontracts.

This time period of the study is appropriate for several reasons: The 106th, 107th, 108th, and 109th Congresses capture periods of both divided and unified government, as well as a period of relative peace before the abrupt need to heighten national security in the wake of the terrorist attacks of September 11, 2001. In addition, this time period also permits me to address concerns about congressional pork barreling in matters of defense and national security spending in the post 9-11 context.[120]

Dependent Variables

To test my hypotheses, I created several dependent variables. First, I employ a dummy variable for defense committee membership to examine members' incentives to procure defense dollars. Second, I examine defense allocations per district by utilizing two measures of prime contract awards: defense procurement dollars and the total number of defense contracts flowing to a district. Third, I gathered data on the number of defense subcontracts awarded per district.

[120] The House of Representatives serves as the focal point (as opposed to the Senate or executive branch) because House districts create smaller units of analysis that offer a more precise measure of a highly concentrated industrial sector than do states. A senator from California is less likely to respond to economic pressures concentrated in Antelope Valley (a Los Angeles county that has become a major site for air force contracting) than a Congress member with a constituency comprised of more than 40% aerospace workers (GAVEA 2008, 10).

Defense committee membership: To collect information on defense committees, I consulted the Congressional Directory and included a dummy variable coded "1" if a House member belongs to a defense committee in the 106th-109th congresses and "0" to indicate that a member does not belong to a defense committee. Defense committees include the Defense Appropriations Subcommittee, the Armed Services Committee, and the Select Subcommittee on Technical & Tactical Intelligence.[121]

Prime Contracts Allocations: Aggregating prime contract data is relatively easy. Unfortunately, data limitations on subcontracting and defense industry locations render it prohibitively difficult to account for every contractor that receives federal defense dollars within the context of this study. However, data on six top corporations account for a preponderance of the total defense procurement and R&D budget. Accessing the Federal Procurement Data System (www.fpds.gov), I gathered data on prime defense contracts awarded to Lockheed Martin, Boeing, Raytheon, Northrop Grumman, General Dynamics and SAIC from 2000-2005, and transformed the data to the district level for each relevant congressional term.[122] This includes the top five defense companies measured by both defense contract dollars and total annual revenue, according to Washington Technology and Source Watch. Science Applications International Corporation (SAIC)—ranked the #8 U.S. defense

[121] The Select Subcommittee on Technical & Tactical Intelligence is part of the House Permanent Select Committee on Intelligence (HPSCI). The subcommittee is included in the dataset because it is responsible for making recommendations on military operations, weapons programs, and communications systems, as well as producing an annual intelligence authorization bill (and classified budget schedule) for all elements of the intelligence community.

[122] The model focuses on the 50 states, excluding foreign nations, and non-state entities (e.g., Washington DC, Puerto Rico, and American Samoa.)

company—is also included to account for a top intelligence industry that receives a higher percentage of contracts through a competitive bidding processes than other top defense corporations.[123] These six defense companies employ at least 600,000 people and collectively account for 54.3% of the total defense contract dollars spent on procurements and R&D (based on 2003 data).[124] (Information on prime contract allocations will be made available from the author upon request.)

Subcontract Allocations: Collecting information on subcontracts proved much more challenging. Information recently made available on the Federal Procurement Data System includes the 'principal place of performance'—or the primary location in which a contracted weapon system is built—identifying one major contract benefit distributed after the primary contract arrangement. While the FPDS provides information on secondary contract distributions, or subcontracts, the data are classified by city. Broad city-level data are not particularly suitable for more specified, district-level variables. In order to compensate for this problem, I coded 4,482 principal locations in the years 1999-2000 and 2005, utilizing both congressional district atlases and the Geographic Information System (GIS) software. This method accounts for 98% of all principal locations in the relevant years (4482/4581), allowing for a preliminary assessment of subcontract benefits in the

[123] Several journalists have suggested that SAIC "exploits conflicts of interests in Washington" by hiring top federal officials (see Barlett & Steele 2007.) Nonetheless, nearly 75% of SAIC's defense contracting dollars result from full and open processes, as opposed to 6.3% that are privately negotiated (based on 1998-2003 data). Compare 39.3 % of contracting dollars resulting from full and open competition in overall Department of Defense Contracts FY2003, available at www.fedspending.org.)

[124] The FY2003 defense budget for $355.4 billion allocated $122.2 billion for procurement and research and development expenditures. Of this $122.2 billion, Lockheed Martin, Boeing Company, Raytheon, Northrop Grumman, General Dynamics and Science Applications International accrued $66.447 billion, or 54.38%. (For employment and total contracting data, refer to sec.gov, washingtontechnology.org and sourcewatch.org.)

106th and the 109th congresses.[125] (Defense subcontracting data will be made available upon request from the author.)

Explanatory Variables

Economic reliance: Applying the measure of economic reliance on the defense sector described in Chapter 3, I employed the interaction term (density*facilities) combining the number of defense facilities per district and population density per square mile.

Defense Facilities: To create a measure for defense facilities, I extended my dataset on the nationwide locations of leading 1990s defense firms referenced in Chapter 3. To do so, I collected and compiled data on the nation-wide locations of the six major 2006 defense contractors noted above.[126] I consulted company and third party websites as well as corporate tax reports and other Security and Exchange Commission (SEC) filings from 1999 - 2006. The large number of defense-sector mergers throughout the 1990s streamlining process suggests that this technique should yield a relatively accurate portrayal of the national defense sector composition (U.S. GAO 1997a). These search devices yield 1,063 defense facilities spread across

[125] While hand coding helped narrow the number of potentially relevant districts per location, the method does not entirely obviate the problem of multiple districts spread across city limits. When I could not determine which specific district a primary location falls within, I coded each potentially relevant district for the same project location. This over-includes more urban areas that fall across multiple districts. However, if anything, this stacks the model against the theory of economic dependence in districts with more homogenous industrial composition. Despite this problem, the measure nonetheless lends important insight on a crucial—and previously underemphasized—stage of the defense contracting process.

[126] Primary sources accessed include: SEC EDGAR Database Archives (http://www.sec.gov/edgar.shtml); Vault Companies (http://www.vault.com/wps/portal/na/companies); Washington Technology, Top 100 Government IT Contractors (http://washingtontechnology.com/toplists/top-100-lists/2007.aspx); Reaching Critical Will, The Aerospace Industry: Corporate Profiles, Research compiled by Frida Berrigan of World Policy Institute.

all 50 states.[127] Each industry is cross-checked using Google mapping tools and referenced by city location and zip code. The data are transformed to the congressional district level using GIS software, accounting for redistricting plans in each Congress. The variable is coded based on the number of facilities per district.[128] (Details on defense facilities are available from the author upon request.)

Population Density: Following the criteria set forth in Chapter 3, I apply a measure of population density per square mile to capture the influence of economic dependence. I measure district-wide population density by calculating population divided by district area per square mile. Population density serves as the foundation for U.S. Census Bureau's definition of urbanization and for the USDA Rural-Urban continuum codes. A rural district with a large number of defense facilities is likely to have a far less diverse economy and therefore to be more economically dependent on defense expenditures than an urban district with an equal number of facilities.

Control Variables

Headquarters: Previous research finds that prime defense contracts often channel to locations with corporate headquarters (Markuson et al. 1991). To control for expected, nonpolitical distributions, a count variable capturing the number of defense industry headquarters in a district controls for these possible allocations.

[127] While defense facilities vary in size and employment, reporting requirements for 10K reports at the SEC allowed me to distinguish "major facilities" based on area per square mile. This variable did not add any explanatory power to the analysis and was dropped from the models.

[128] Reliance on a static measure of a district's economic structure over a seven-year period is alleviated by the fact that defense employment levels--a product high investments in industry sites and past Defense Department decisions--ought to remain relatively stable over short increments of time. See Arnold (1979, 86) on the relative stability of defense employment.

Gunbelt: Markuson et al. (1991) analyze geographic effects by focusing on the impact of defense decisions on different regions of the United States. The authors find that the 'Gunbelt'—New England, South Atlantic, East and West South Central, Mountain, and Pacific divisions—experienced increases in revenue and gross industrial capacity in the decades following World War II. East and West North Central suffered substantial per capita losses (12).[129] The model controls for this regional pattern, with districts in 'Gunbelt' states coded "1" and districts in other states coded "0".

Defense committee membership: Members' positions on defense committees are also likely to affect the distribution of defense contracts. Accordingly, a dummy variable indicating defense committee membership is included as both a dependent and independent variable.

Defense committee leadership: A dummy variable for leadership on defense committees signifies the presence of defense committee and subcommittee chairs. The variable is coded "1" for defense committee leaders and "0" for other members.

Ideology: Poole & Rosenthal's (1991) DW-Nominate scores serve as a proxy for legislators' predisposed preferences or ideological leanings in the examination of members' incentives to join defense committees. The variable captures members' aggregated voting behavior and controls for a mix of individual and constituency pressures that may result in greater conservatism in more rural areas.

[129] In Census Bureau terms, West North Central consists of Iowa, Kansas, Minnesota, Missouri, North Dakota, and South Dakota. East North Central comprises the Rustbelt, or Illinois, Indiana, Michigan, Ohio, and Wisconsin. (All other states are included in the Gunbelt region, consistent with Markuson's et al.'s (1991, 12) classification.)

Party: Finally, the model includes a variable assessing the influence of partisanship on defense contract allocations (coded "1" for Republican and "0" for Democrat).

Average Distribution of Defense Allocations & Facilities

The table of descriptive statistics located in Appendix 4.1 provides information the mean, standard deviation, and distribution of the variables under study (1st, 5th and 9th deciles). An initial look at the average distribution of defense contracts across congressional districts confirms that prime contact allocations are heavily restricted. Indeed, the preponderance of congressional districts do not receive any prime defense contract benefits at all, and the bulk of these distributions concentrate in 10% of congressional districts (5th decile=0 dollars, 0 contracts; 9th decile=$336 million, 48 contracts; max=$17.6 billion, 862 contracts). While subcontracting allocations are also somewhat skewed, these data nonetheless reveal much wider distributions across districts, more in line with the overall composition of defense facilities (5th decile=1 subcontract; 1 facility, 9th decile=10 subcontracts, 7 facilities; maximum=54 subcontracts, 47 facilities).

The average distributions of the data cross-validate research on the gunbelt regions of the South and West (Markuson et al., 1991). On average, districts within gunbelt states receive over three times more prime contract revenue (μ=$205 million in gunbelt districts, μ=$63.4 million in other districts), more than twice as many prime contract awards (μ=20.93, μ=8.36), and more than two times as many subcontracts (μ=5.11, μ=2.04) as other districts that are not in gunbelt regions.

Given the Republican Party's recent efforts to label itself as "pro-defense," it is also interesting to note partisan differences in the distribution of defense-dependent districts. Although the average distribution of defense facilities are spread relatively equally across Republican and Democratic districts (μ=2.50 Republican, μ=2.38 Democrat), Republicans typically represent more rural areas with defense facilities (μ=2.01) than do Democrats (μ=1.18).

The table in Appendix 4.2 lists the 20% most economically reliant congressional districts in the 109th Congress (83/435 districts). Economic reliance captures the number of defense facilities in a district conditioned by district-wide population density. Utilizing this measure, districts that experience excessive localized dependence on the defense industry span 36 states and cut across regions, offering important nuances to scholarship on regional trends in defense sector development. For example, Jim Ryun (R-KS, 2), Jerry Costello (D-IL, 17) and Dave Hobson (R-OH, 7) all represent constituencies that rely on defense funds, although these Midwestern regions are not typically associated with defense production.[130] Corresponding with the descriptive statistics in Appendix 1, Republicans represent two-thirds of districts that rely most heavily on the defense sector of the economy, reinforcing the party's "pro-defense" stance.

[130] Other districts that experience disproportionate reliance on defense dollars include: Bud Cramer (D-AL, 5), Jim Marshall (D-GA, 3) and Gene Taylor (D-MS, 4) in the South; Heather Wilson (R-NM, 1) and Joel Hefley (R-CO, 5) (subsequently succeed by Doug Lamborn) in the South West and West South Central; Buck McKeon (R-CA, 25) and Norm Dicks (D-WA, 6) in the Pacific region; and Charles Bass (R-NH, 2) in the North East.

Modeling Patterns in Defense Committee Membership & Defense Allocations

Systematic statistical analysis offers a more refined analysis of these patterns, controlling for a number of factors that are likely to affect defense committee membership and contract distributions. The analysis of defense committee membership employs a dummy measure as the dependent variable. Therefore, the ordinary least squares (OLS) assumption of uniform distribution of variance is violated. Logistic regression maximizes the likelihood of observing a given distribution of the probability of a defense committee assignment based on a district's economic reliance on the defense sector.

Multiple regression permits an examination of the distribution of primary contract dollars across congressional districts. However, the number of prime contracts awarded per district and the number of subcontracts received are counts. As count variables, these distributions are highly skewed, with the majority of the congressional districts receiving no prime contract awards and more than one-third of districts receiving no subcontracts (see Appendix 4.1). OLS regression is not appropriate because the data are not normally distributed. Instead, I use negative binomial regression to assess these measures across each separate Congress.[131]

As stated, the theory that economic reliance motivates policy outcomes can be expressed with the interaction term combining geographic composition and a large defense sector presence (density*facilities). The theory of disproportionate economic reliance places emphasis on the interactive component (facilities), which measures the effect of defense facilities when population density is equal to zero (Brambor et

[131] I use negative binomial regression instead of Poisson regression to account for over-dispersion in the models (LR test of alpha=0: Chi2=720, p=0.000).

al. 2006).[132] While this variable captures important conditional effects of facilities and low density, population density is never equal to zero in any populated area. For more meaningful interpretation, I present the conditional effects of defense facilities at high and low levels of density. This allows me to assess the effect of density holding the number of district-wide defense facilities constant at its sample mean (King et al. 2000; Tomz et al. 2003). This method also provides a reasonable control for a district's economic specialization as a defense supplier.

The Role of Economic Reliance in Congressional Processes

Table 4.1 displays the difference between the predicted probabilities of defense committee membership when population density changes from its first decile (10% value) to its 9th decile (90% value), given an equal number of defense facilities. The model sets the number of defense facilities at its sample mean and holds all other control variables constant at their respective means (see Appendix 4.1). (The predicted probabilities associated with these control variables are located in a logit analysis in Appendix 4.3.)

[132] Unlike standard additive models, interactive models examine conditional relationships among the interactive coefficients. Rather than operative as controls (set to a variable's respective mean value), interactive coefficients display the affect of the variable when the other interactive coefficients are set to zero.

Table 4.1: Estimated Influence of Economic Reliance on Congressional Defense Committee Membership in the 106th – 109th Congresses (1999-2005) (n=435)

	106th Congress (1999-2000)	107th Congress (2001-2002)	108th Congress (2003-2004)	109th Congress (2005)
Economic Reliance				
Population Density 1st Decile	.23 (.03)***	.21 (.03)***	.28 (.03)***	.24 (.03)***
Population Density 9th Decile	.09 (.03)**	.10 (.03)**	.14 (.04)***	.14 (.04)***
Difference	.14 (.04)***	.11 (.04)**	.14 (.04)**	.09 (.04)*
Percent Change	60.59***	51.12**	48.88**	39.44*

Note: Table 4.1 entries are calculated by the author from the logit analyses in Appendix 4.3 using CLARIFY. Entries are predicted probabilities and predicted changes in probabilities. The standard errors of the predictions are in parentheses. The table shows the predicted influence of an increase in population density (from rural to urban) when defense facilities is set at its mean value. All control variables are held constant at their sample means.

***p<.001; **p<.01; *p<.05 (two-tailed test), † (one-tailed test)

With regard to Hypothesis 1, the results show that legislators from urban areas are less likely to join defense committees than those from rural areas. Given an equal defense capacity, and controlling for rural members' more conservative leanings, a more sparsely populated, rural setting yields a 39% to 60% increased probability of observing defense committee representation than a more densely populated, urban location ($p < .05$). Figure 4.1 further illustrates the consistent pattern of disproportionately greater defense committee representation in rural areas. The graph

displays the predicted values at increasing levels of population density given low, middle, and high numbers of defense facilities in a district.

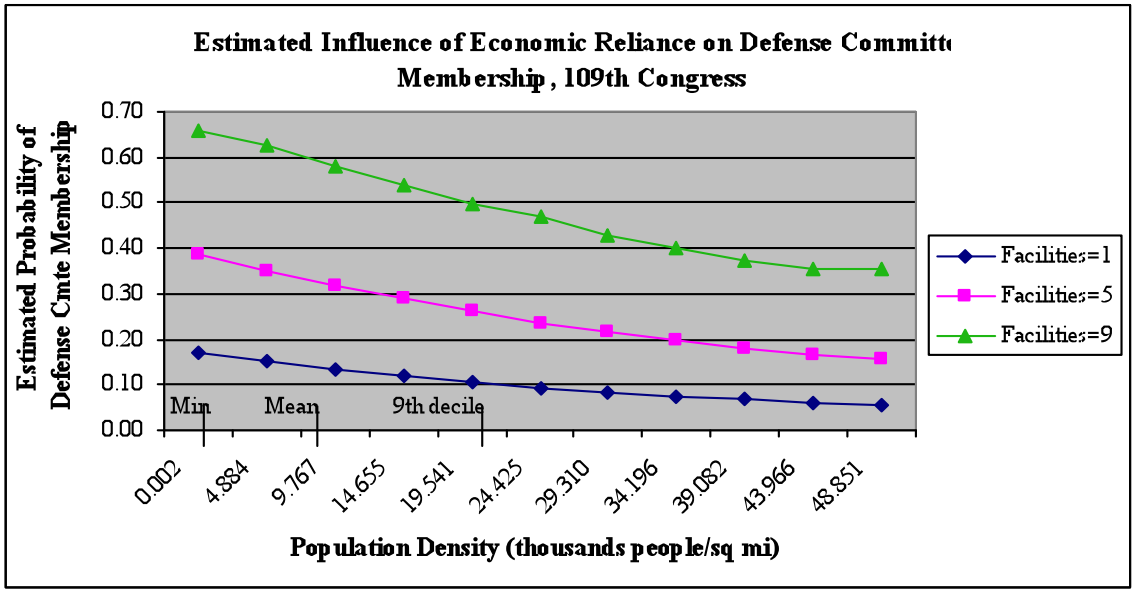

Figure 4.1 – Estimated Influence of Economic Reliance on Defense Committee Membership, 2005

Note: Figure 4.1 displays expected values calculated by the author from the logit analysis in Appendix 4.3 using CLARIFY. The figure denotes an increase in population density given low, middle and high numbers of defense facilities in a district. All control variables are held constant at their sample means.

As documented in Figure 4.1, given an equal number of defense facilities, defense committees draw members of Congress from more rural areas at disproportionately greater rates than representatives from highly urbanized areas. In line with economics literature that links urban density and economic diversity, the figure suggests that the size and diversity of a local economy consistently conditions members' incentives to join defense committees. The presence of a single defense plant in localities with a population density below the mean yields a greater likelihood of observing a defense committee assignment than the existence of five facilities in the most densely populated districts (above the 9th decile). Similarly,

members representing districts with five facilities and a population density below the mean exhibit a greater probability of joining a defense committee than representatives from densely urban districts that contain nine facilities—a disproportionately large defense capacity. As the theory of economic reliance predicts, members of Congress representing more rural constituencies with a highly concentrated defense sector presence exhibit the highest probability of joining defense committees—nearly 70%—after controlling for other factors likely to influence these decisions.

These findings suggest that the geographic composition of industry yields different 'preference intensities' (Hall 1996, 1987) among representatives that affect their incentives to join defense committees. Members who represent districts that are *disproportionately reliant* on the defense sector are considerably more likely to involve themselves in defense and national security policymaking than members from highly urban districts with more diverse economies. Controlling for differences in capacity to receive defense projects, the findings demonstrate that the economic under-development of a more rural constituency places a political premium on facilities that help keep the economy afloat. While more urban, industrially vibrant and high-income locations enjoy industrial capacity, the closing of large defense facilities in rural areas would cause greater damage to the local economy. The findings support the theory that disproportionate constituency dependence influences legislative behavior.

Primary Defense Procurement Allocations

Table 4.2 displays the expected differences in the distribution of defense dollars and projects when population density changes from the 1st decile (rural) to 9th decile (urban). The number of defense facilities in a district and the locations of defense industry headquarters offer a reasonable proxy for economic specialization and expected non-political distributions. These variables are set to their respective mean values. The coefficients associated the full models are located in Appendix 4.4 - 4.5.[133]

[133] I report both the full model and a condensed model in Appendix 4.4 in order to account for multicollinearity. The interaction term (*density*facilities)* yields a negative coefficient, suggesting that more urban districts with a large defense presence are *less* likely to receive prime defense contracts than other districts ($p<.05$). However, as the condensed model demonstrates, the variable takes the expected, positive direction when headquarters is dropped from the model ($p< .10$). As headquarter locations are correlated with defense facilities in densely populated areas (Pearson's $r= .63$), it is reasonable to assume that multicollinearity helps explain the negative coefficient in the full model. All other variables (including interactive components) perform consistently across both models.

Table 4.2: Estimated Influence of Economic Reliance on Primary Defense Procurement Dollars (millions) and Number of Awards per District in the 106th – 109th Congresses (1999-2005) (n=435)

	106th Congress (1999-2000)		107th Congress (2001-2002)		108th Congress (2003-2004)		109th Congress (2005)	
Economic Reliance	Dollars (Millions)	Awards	Dollars (Millions)	Awards	Dollars (Millions)	Awards	Dollars (Millions)	Awards
Population Density 1st Decile (Rural)	81*** (11.9)	3.98*** (.69)	197*** (31.3)	8.57*** (1.70)	250*** (54.2)	12.21*** (2.41)	138*** (19.7)	9.04*** (1.90)
Population Density 9th Decile (Urban)	75.3*** (18.6)	6.59*** (2.36)	105*** (47.4)	9.09*** (3.61)	161** (66.5)	6.58*** (2.23)	86** (25.9)	4.96*** (1.87)
Difference	5.7 (20.3)	-2.62 (2.53)	91.7 (61.3)	-.51 (4.21)	89.5 (67.4)	5.64*† (3.43)	51.9* (26)	4.08*† (2.88)
Percent Change	7.04%	-39.8%	46.6%	-.05%	35.6%	46.2%*†	37.7%*	45.1%*†

Note: Table 4.2 entries are calculated by the author from the regression analyses in Appendix 4.4 & 4.5 using CLARIFY.
Entries are predicted probabilities and predicted changes in probabilities. The standard errors of the predictions are in parentheses. The table shows the predicted influence of an increase in population density (from rural to urban) when defense facilities is set at its mean value. All control variables are held constant at their sample means.
***p<.001; **p<.01; *p<.05 (two-tailed test), † (one-tailed test)

In reference to Hypothesis 2, the findings in Table 4.2 show mixed support for the role of economic reliance in the distribution of prime contract dollars. In the 109th Congress, more sparsely populated rural districts yielded 37% more prime contract revenue than urban districts with an equal number of defense facilities—an expected difference of $51.9 million when population density changes from a highly rural to urban value (p<.05). While the expected differences are all in the anticipated direction, economic reliance does not influence the flow of defense dollars at

statistically meaningful levels in the previous congressional terms examined. Rather, these distributions consistently funnel to headquarter locations (see Appendix 4.4).

Assessing the number of primary procurements awarded per district—as opposed to the money funneling into these districts—offers similarly time-bound support for prime contracts flowing to more reliant districts. Given an equal defense capacity, more rural localities received 45% more prime contract assignments in the 108th and 109th Congresses ($p<.05$, one-tailed test). However, changes in density alone do not affect the number of defense contracts allocated to a district within the previous two congressional terms examined. Figure 4.2 displays expected values for the number of contracts received as population density increases in the first session of the 109th Congress.

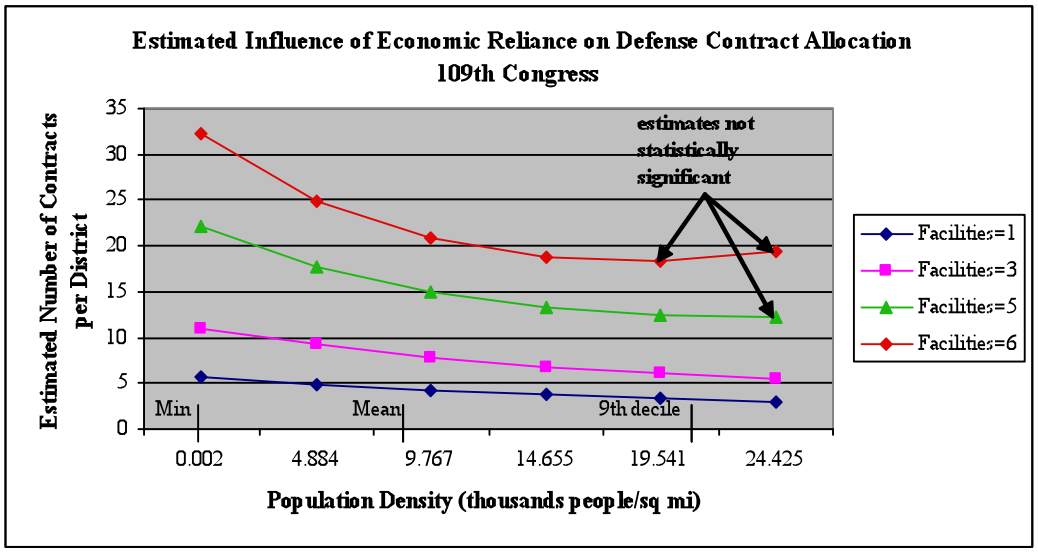

Figure 4.2 – Estimated Influence of Economic Reliance on Defense Contract Allocations, 2005

Note: Figure 4.2 displays expected values calculated by the author from the negative binomial regression in Appendix 4.5 using CLARIFY. The figure denotes an increase in population density given low, middle and high numbers of defense facilities in a district. All control variables are held constant at their sample means. (The number of defense facilities per district is set to lower numbers than in Figures 4.1 & 4.3 because the predicted values for prime contract allocations do not reach statistically significant levels in densely urban districts with large numbers of defense facilities.)

Holding headquarter locations and other control variables constant at their sample means, more rural areas received greater numbers of prime contract awards than densely populated districts with an equal defense presence. Like defense committee assignments, defense distributions advantaged more economically reliant districts during the 109th congressional term. This time period is relevant because it immediately follows U.S. entrance into the Iraq war, which spurred considerable increases in defense spending. Indeed, defense committee status also took on a positive, statistically meaningful value in the distribution of defense dollars and projects in the 108th – 109th congressional terms, during the Iraq war ($p<.05$, Appendix 4.4 – 4.5). As defense committees generally draw members from more economically reliant districts (see Table 4.1), it is also reasonable to assume that district dependence captures some of the same variance.

Non-political factors—defense headquarter locations—consistently drive the distribution of prime defense contracts. However, the findings also provide some time-bound support for the inference that benefits flow disproportionately to more economically dependent districts.

Defense Subcontract Allocations

The theory of disproportionate economic demand suggests that more rural districts will receive a greater number of subcontracts or major secondary assignments than more urban (and less reliant) districts. The prevalence of cost-plus contracting—where a contractor receives compensation equal to expenses plus a

profit—reduces any incentives to subcontract to more rural areas in order to reduce overhead costs.

Table 4.3 displays the differences between the expected value of subcontract assignments when population density increases from its 1st to 9th deciles in the 106th and 109th Congresses and defense facilities is set to its sample mean. Committee influence is also measured by examining changes in expected values when a member's committee status changes from a non-defense assignment to a defense assignment. The model holds other control variables constant at their means. (Refer to the negative binomial regression analysis in Appendix 4.6 for the predicted rates associated with these variables).

Table 4.3: Estimated Influence of Economic Reliance & Defense Committee Membership on the Defense Subcontract Locations in the 106th – 109th Congresses* (1999-2005) (n=435)

	106th Congress	109th Congress
Population Density 1st Decile (Rural)	2.67 (.20)***	2.59 (.20)***
Population Density 9th Decile (Urban)	1.28 (.18)***	1.53 (.18)***
Difference	1.38 (.28)***	1.06 (.25)***
Percent Change	51.80***	40.80***
Defense Cmte=1	5.88 (.82)***	5.47 (.70)***
Defense Cmte=0	1.63 (.12)***	1.63 (.13)***
Difference	4.25 (.83)***	3.84 (.71)***
Percent Change	70.13***	72.25***

Note: Table 4.3 entries are calculated by the author from the negative binomial regression analyses in Appendix 4.6 using CLARIFY.
Entries expected values and predicted changes in expected values. The standard errors of the predictions are in parentheses. The table shows the predicted influence of an increase in population density (from rural to urban) when defense facilities is set at its mean value. All control variables are held constant at their sample means.

*Subcontract locations refer to the primary place of performance, or the location where most of the contract work took place.

***p<.001

Consistent with Hypothesis 2, rural constituencies receive a disproportionately greater number of major subcontract assignments than their more urban counterparts do. Given an equal number of defense facilities, rural districts receive 40% to 51% more expected defense assignments in the 106th and 109th Congresses, respectively

(p< .001). While an expected difference of 1.38 more subcontracts in rural areas than urban localities may appear minor, the substantive effect of this change often signifies millions of dollars flowing to more rural localities with an equal defense presence (p<.001, 106th Congress). It is reasonable to assume that this difference is meaningful for the preponderance of districts that receive between 1 and 10 subcontracts annually, on average (see Appendix 4.1). Indeed, these findings suggest that subcontracts are allocated to maximize economic benefits in rural localities, which depend on these dollars to sustain their local economies. The graph displayed in Figure 2 shows expected values of the number of subcontracts received as population density increases, given low, middle and high numbers of defense facilities.

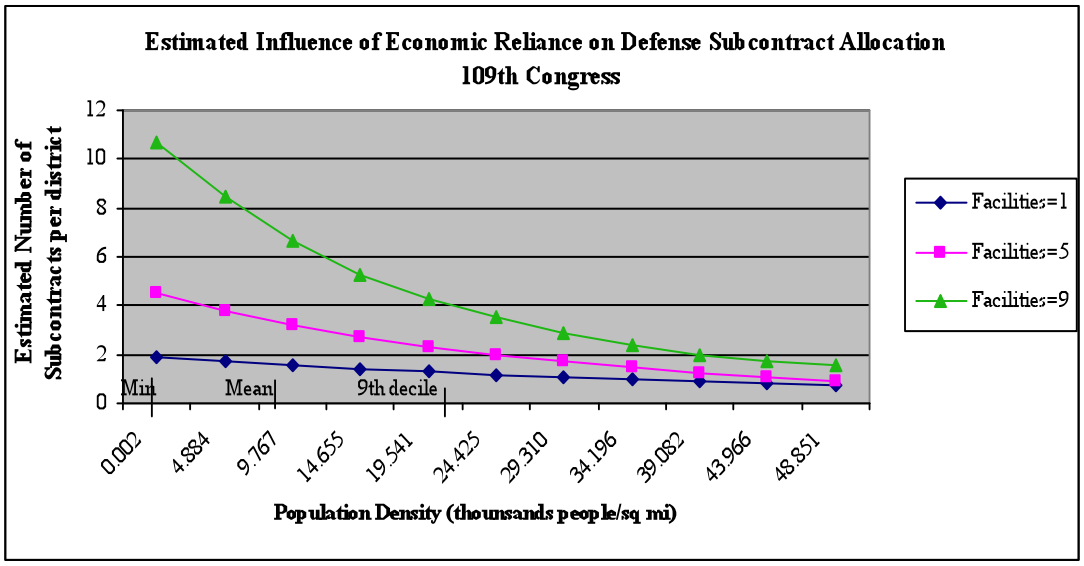

Figure 4.3 – Estimated Influence of Economic Reliance on Defense Subcontract Allocations, 2005

Note: Figure 4.3 displays expected values calculated by the author from the negative binomial regression in Appendix 4.6 using CLARIFY. The figure denotes an increase in population density given low, middle and high numbers of defense facilities in a district. All control variables are held constant at their sample means.

The results are striking. As expected, rural districts exhibit greater numbers of expected subcontracts than densely urban areas with an equal number of defense facilities. The curvilinear trend exhibits steep slopes at lower levels of density, which consistently level off in dense, urban areas (around the 9th decile) and assume a more linear trajectory. However, unlike defense committee assignments and prime contract distributions, districts with higher levels of population density (above the 9th decile) typically receive the lowest levels of expected subcontract projects *regardless of the number of defense facilities*. Indeed, a rural locality with a large defense sector is expected to secure five times as many subcontracts as an urban district with an equal number of defense facilities and comparable specialization as a defense supplier. Furthermore, a rural area with a single defense industry is estimated to receive at least as many subcontracts as a densely urban district with nine defense facilities!

The results suggest that for densely urban areas, specialization does not weigh heavily in the allocation of defense subcontracts. However, more rural localities with defense facilities—not simply sparse, rural areas—are disproportionate subcontract recipients. This finding does not invalidate conventional wisdom that prime contractors distribute projects locally and carry them out in-house; however, it does indicate the additional role of economic reliance in the distribution of major defense benefits. Highly urbanized cities with more diverse economies are less reliant on these projects and thus less attractive candidates from a political standpoint. Rural and urban areas with equal defense capacity are unequal recipients in the redistribution of defense benefits.

Furthermore, members of defense committees draw greater levels of secondary benefits for their constituencies than other House members. Districts with defense committee representation yield 70% and 72% more subcontracts—an estimated 4.25 to 3.84 more projects ($p<.001$)—than other districts in the 106th and 109th Congresses, respectively ($p<.001$). For more reliant constituencies, committee representation magnifies the economic role of defense subcontracting. While industrial capacity is a necessary factor in defense contracting, a district's reliance on defense contracting, as well as its representation on defense committees, have greater effects on subcontract allocations than industrial capacity alone. The results show that a district's economic dependence on defense dollars is an important factor in the allocation of benefits.

Discussion

In 2005, Representative Buck McKeon (R-CA, 25th District) of the Armed Services committee and Air and Land Forces subcommittee oversaw $1,099,480,365 and 50 defense contract projects directed to his constituency in the Antelope Valley region. In addition, contractors for Northrop Grumman, Lockheed Martin, Raytheon Company, and SAIC targeted the district for 27 major subcontracts. The aerospace and defense industry in Antelope Valley, California employ over 20,000 residents, or approximately 40% of the labor force. On his web page, Rep. McKeon publicizes his success procuring district projects for the B-2 Stealth Bomber, modifications to the B-1B Bomber, the F-117 Stealth Fighter, and the development of the military's 'new generation' fighter, the Joint Strike Fighter. In Arizona's sixth congressional district,

the Lockheed Martin, Boeing and General Dynamics facilities that are scattered throughout the economically diverse Phoenix-Mesa-Scottsdale metropolitan area are further from Representative Flake's political radar. In 2005, Rep. Flake prioritized eliminating earmarks from the Homeland Security Appropriations Bill[134] rather than seeking defense projects for his constituency.[135]

This study moves beyond anecdotal accounts by providing systematic evidence of the importance of a district's dependence on defense spending. Economic dependence in more rural areas encourages political representatives to join defense committees, controlling for apolitical considerations in defense spending by holding the number of district-wide defense facilities constant. Representation on defense committees and rural geography, in turn, each draw subcontracts at a rate disproportionate to the number of defense facilities in these areas. While detailed information on the subcontracting process remains largely unavailable, this evidence is consistent with the theory that the defense industry gains politically by extending major assignments to more dependent, rural districts, even while prime contract revenue generally remains concentrated.

Previous academic work on the distributive politics of defense spending has missed these patterns for two reasons: First, scholars have not accounted for the effect of a district's economic reliance on defense spending. Second, research has focused only on the allocations of prime defense contracts, which are merely precursors to

[134] On his website, Representative Flake expresses his commitment to cutting federal spending levels and the need for tax relief, sought through a campaign to reform legislative earmarks (Flake 2005, April 20).

[135] In 2005, R. Flake's 6th district of Arizona received no prime contracts from the six companies under study and 1 major subcontract. He does not sit on a defense committee.

subsequent dissemination. By probing more deeply into the defense contracting process, this study uncovers evidence that the degree to which defense procurement policies receive priority among individual House members varies according to the economic composition of a district.

The U.S. defense industry is spread across 50 states, present in the majority of congressional districts, and generates hundreds of billions of dollars per year. While this study does not provide evidence that key members directly influence contracting processes, it is clear that the defense industry plays a critical role in the allocation of subcontracts. The use of private negotiations between contractors, top defense bureaucrats, and defense industry management—as opposed to an open, competitive bidding process—allow contractors to prioritize the distribution of benefits in contract arrangements to maximize the chances for program funding (Higgs 2006; Arnold 1979, 6-7). If the Lockheed Martin corporate headquarters in Bethesda, Maryland receives a multi-million dollar defense contract award, then the relevant directors enjoy great discretion in assigning various parts of the project locally, to another Lockheed Martin facility, or subcontracting out to another company.

The results of this analysis suggests a symbiotic relationship among key players, where spreading substantial defense benefits across multiple districts increases political demand for weapons systems among Congress members and sustains rural economies that are reliant on the defense industry. Defense subcontracting helps meet districts' economic needs for employment and local economic development, which in turn generates greater political demand for weapons systems. These overlapping interests encourage defense expenditures in excess of

strategic requirements. They also bias defense contract allocations, channeling them to more dependent, rural localities during critical dissemination stages.

Chapter 5: You and Whose Army? How Congressional Defense Spending Shapes Presidential War Powers

"Those who are to conduct *a war cannot in the nature of things, be proper or safe judges, whether a war ought to be* commenced*,* continued*, or* concluded*."*
–James Madison, 1793 (in Frisch ed. 2007, 62)

"When I moved those forces [into the Persian Gulf] I didn't have to ask Senator Kennedy or some liberal Democrat whether we were going to do it. We just did it." –George H.W. Bush, 1992[136]

On August 2, 1990, President H.W. Bush denounced the Iraqi invasion of Kuwait as an act of intolerable aggression. On August 6, 1990 Secretary of Defense Dick Cheney publicized the U.S. commitment that the president had made to defend Saudi Arabia in the event of an attack by Iraq. The administration claimed that the president did not need congressional approval before taking military action. Bush cited his constitutional authority, stating: "I have the right, as commander-in-chief, to fulfill my responsibilities, and I'm going to safeguard those executive powers" (quoted in DeConde et al., 2002, 215-216). On December 3, 1990, Secretary of

[136]Quoted in Dowd, Maureen. 1992. "The 1992 Campaign: Republicans; Immersing Himself in Nitty-Gritty, Bush Barnstorms New Hampshire," *New York Times,* January 16. Accessed at http://query.nytimes.com/gst/fullpage.html?res=9E0CE2D6133DF935A25752C0A964958260&sec=&spon=&pagewanted=2

Defense Dick Cheney testified before the Armed Services Committee that: "I do not believe the President requires any additional authorization from the Congress before committing US forces to achieve our objectives in the Gulf."[137] Fifty-four legislators responded by filing a suit in federal court to prohibit the president from using force without congressional authorization. (The court overruled the suit as premature.) The president later gave in to pressure from advisors not to defy Congress, but to persuade it to go along with him.

When President Bush requested approval in a letter to Congress in January 8, 1991, many members extolled the restoration of their proper constitutional authority. Senator Sam Nunn (D-Ga) rose to "commend President Bush for recognizing Congress' constitutional role." House Foreign Affairs Committee Chairman Dante Fascell (D-Fl) marveled that "[the president] acknowledged the principle! ... This is very important. By specific language, Congress authorized the war!" House minority leader Robert Michel (R-Ill) remarked that, "The Constitution, the American people, and the cause of freedom have been well served."

Despite this display of congressional exuberance, the president never acknowledged that statutory authorization was constitutionally required to commit troops in military engagements. Rather, in a press conference on January 9—one day after the president requested approval from Congress—Bush said: "I don't think I need [a congressional resolution]… I feel I have the authority to fully implement the

[137]U.S. Congress, Senate Committee on Armed Services. 1990. *Crisis in the Persian Gulf Region: U.S. Policy Options and Implications*. Hearings Before the Committee on Armed Services, 101st Cong., 2d sess., September 11, 13; November 27, 28, 29, 30; December 3.

United Nations Resolution [678]" (*CQ Weekly Report,* 1/12/91, p.71).[138] Accordingly, several scholars conclude that he consistently stood by his earlier implications that the administration had the right to defy any restrictions that Congress might impose (Glennon 1991; Fisher 2004).

The Gulf War scenario fits historical patterns dating back to the end of World War II, in which presidents have not only engaged military forces without explicit authorization, but have also systematically claimed the constitutional authority to act unilaterally in matters of national security and foreign affairs (Sofaer 1976; Koh 1990; Ely 1993; Adler & George (ed) 1996; Silverstein 1997; Schlesinger 2004; Fisher 2004).[139] Yet, despite the precedent of executive prerogative that presidents have successively drawn upon, the events leading up to the Gulf War also illustrate congressional efforts to reassert its institutional role in the decision to go war.

This analysis builds upon the work on congressional incentives in post-World War II defense spending to shed light on how a country founded on principles of shared war powers has over time enhanced the president's ability to employ military force without congressional approval, and to what extent periodic spurs of congressional involvement can work to reverse this process. I theorize that the growth of the U.S. military establishment after World War II created overlapping institutional incentives to concentrate resources and authority over military affairs in the executive branch. While proponents of executive unilateralism suggest that Congress' control

[138] Articles 42 & 43 of the U.N. Charter state the President's negotiations with the Security Council are subject to the approval of Congress. Section 8a of the 1973 War Powers Resolution reaffirms Congress' role by stipulating that the introduction of U.S. troops into hostilities is not to be inferred from any treaty in absence of additional authorizing legislation.

[139] The post-war era also coincides with the military's growing preeminence in political and economic circles (Mills 1956, 212).

over funding decisions provides a sufficient constitutional check on the president (Yoo 2005), I argue that the rise of a permanent military industry minimizes Congress' willingness and ability use this tool to limit executive actions. Rather, the persistence of a standing military arsenal and national security community have structured an environment in which members of Congress not only prioritize the growth of defense resources, but also find it inexpedient to withdraw expenditures in opposition to military engagements. This, in turn, enables presidents to draw upon an expanding pool of resources while structuring institutions to insulate their authority from ongoing legislative control.

Recent scholarship demonstrates that political parties, not institutions, facilitate inter-governmental competition, restoring an episodic system of checks and balances (Howell & Pevehouse 2007; Levinson & Pildes 2006). Congressional majorities facing a president of the opposing party are more likely to heighten the political costs of the president's military actions with increased oversight, public hearings, targeted budget cuts, and efforts to create negative publicity surrounding executive actions (Howell & Pevehouse 2007). At the same time, however, broader patterns of Congress' military build-up and longstanding informational asymmetries also work to counteract members' willingness and ability to prevent these actions altogether.

The analysis unfolds in three parts: Part I draws upon previous scholarship and offers a structural argument for presidential advantage in military affairs. Parts II and III consider how congressional incentives to perpetuate weapons expenditures (and hence, to expand military capabilities) and executive measures to control

available military technology have both shaped the accumulation of presidential war powers in the post-World War II era. Despite moments of heightened congressional oversight, I argue that the lack of legislative incentive to curb military expenditures—and insufficient oversight mechanisms independent of purse strings—facilitates an enhanced executive prerogative in military affairs.

Institutional Structures & Presidential Advantage

The office of the president has experienced dramatic changes throughout the course of American political development. Far from its nineteenth century status, twentieth century scholars have extolled the modern presidency as a potential savior (Rossiter 1960; Neustadt 1990); others have used less glorified terms, defining the office as "imperial" (Schlesinger 1973), "impossible" (Barger 1984), "tethered" (Franck 1981), "plebiscitary" (Lowi 1985), "preemptory" (Howell 2005) and as a "blunt disruptive force" (Skowronek 1993). Despite these mixed assessments, presidential scholars have almost universally acknowledged the modern rise of executive—and hence, presidential—power (but see Barger 1984).

A cursory reading of executive powers listed in the Article II of the U.S. Constitution does not immediately anticipate the observations that contemporary scholars make. However, expansive presidential authority does in many ways reflect the institutional *structure* set forth in the U.S. Constitution. In 1788, Alexander Hamilton crafted an argument in support of a unitary executive equipped with the energy and flexibility required for effective governance (*Federalist 70-71,* in Rossiter ed. 2003*).* While these views were by no means universal—in fact, most enumerated

powers reside with Congress—the framers did adopt a system that enables a single executive leader to govern within the bounds set by a (presumably) jealous Congress (*Federalist 51,* Rossiter, id*).*

Consequently, although Article I gives Congress almost all of the enumerated powers over foreign affairs,[140] and the powers allotted to the president are few in number and (at best) vaguely defined,[141] both supporters and opponents of executive war powers recognize that the president is ideally structured to initiate foreign policy (Yoo 1999, 2005; Black 1980; Koh 1988). As early as 1793, Alexander Hamilton advanced a structural argument in support of expansive presidential power, as "the text and structure of the Constitution make the President the sole organ of intercourse between the United States and foreign nations" (Frisch ed. 2007). In 1835, French traveler Alexis de Tocqueville (2000 [1835], 123) observed that the president's relative domestic weakness served as a contrast to his extensive authority over matters of foreign affairs, pointing out that, "A negotiation can scarcely be opened and followed fruitfully except by one man." Indeed, presidents are uniquely equipped to initiate policy efficiently, flexibly, and (if necessary) secretly on behalf of a broad, national constituency. The structural view of presidential authority suggests that the Constitution assigns powers to a legislature that is unsuited to exercise them; this

[140] U.S. Constitution, Article I, Section 8, Cl. 11-16 (delegating power to declare war; raise and support armies; provide and maintain a navy; regulate land and naval forces; call forth the militia; and provide for organizing, arming, and disciplining the militia). Congress' power to appropriate funds are also contained in Article I, Section 8, Cl.1, 2, and 5 (empowering Congress to lay and collect taxes, duties, imposts, and excises; borrow money on the credit of the United States; and to coin money and regulated its value).

[141] The commander-and-chief and take care clause are among the most frequently cited: U.S. Constitution, Article II, Section 2, Cl. 1 ("the president shall be commander-in-chief of the army and navy of the United States, and of the militia of the several states"); Article II, Section 3 (the president shall "take care that the laws be faithfully executed").

practical shortcoming led to the "flow of power from Congress to the presidency" (Black, quoted in Koh 1988; also see Mills 1956).

Additional literature on the modern presidency focuses on the institutional resources that allow presidents to direct policy unilaterally. Two characteristics of the presidency are especially critical for unilateral policy-making. Each emerged during the course of American political development: First, presidents are uniquely situated as national party leaders (Whittington & Carpenter 2003)—a distinction that grants them considerable leverage in setting the national party agenda and determining its priorities (Lee 2008, on how presidents shape partisan behavior in Congress), and which allows presidents to appeal directly to the national public (Kernell 1992). Second, presidents can engage in autonomous policy innovation, issuing directives such as executive orders (Mayer & Price 2002; Howell 2003), executive agreements (Moe & Howell 1999), presidential signing statements, proclamations, and memoranda (Cooper 2001). Though seldom acknowledged, the establishment of the intelligence community in 1947 also enables presidents to deliver national security directives (NSDs)—unpublished notifications used to direct foreign, military, and intelligence policy (see U.S. GAO 1992; Cooper 2002; Gordon 2007). Presidential issuances all carry the weight of law without formal congressional endorsement.[142]

The political construction of presidential resources is consistent with the energy and vigor that Hamilton eulogized, and which later scholars have characterized by a "drive for leadership that almost always motivates [presidents] to

[142] Of course, presidents must justify these extra-constitutional actions based on some statutory, treaty, or constitutional basis. However, the ambiguity of Article II and the extensive body laws that presidents can draw upon makes the case for unilateral powers particularly appealing (Howell 2005, 417).

promote the power of their institution" (Moe & Wilson 1994, 25). In isolation, though, a purely structural view of institutional politics depicts presidential authority as static; institutional structures presumptively operate independent of the geopolitical climate. Yet, mid-to-late twentieth-century presidents have made far more extensive uses of their unilateral resources than their predecessors and have amassed unprecedented levels of authority.

While rising executive activity traces back to the federal bureaucracy that originated during the New Deal, a number of scholarly assessments also suggest that the growth of unilateral presidential policy-making is more directly related to the rise of the national security establishment. This trend is most clearly evident in matters concerning national security and foreign affairs. Since Truman referred to the Korean War as a "police action", modern presidents have launched hundreds of military actions without first securing a formal congressional authorization (Fisher 2004). Indeed, since 1947, presidents have relied on national security directives (NSD's) as a primary mechanism with which to coordinate the intelligence community and direct military and foreign policy. The use of NSD's sidesteps congressional consultation, exacerbates information asymmetries and, as one analyst readily observes, "[poses] particular challenges to Congress and the courts to effectively constrain the president's unilateral powers" (Gordon 2007, 359).

According to one researcher's estimates, presidents issued at least 1,790 (publicly known) national security directives between the Kennedy and Bush II administrations, the majority of which still remain classified (Gordon 2007, 361,

using GAO and FAS figures).[143] Presidents have invoked NSD's to direct war strategies in Vietnam (Nixon, NSD 24) and Cambodia (Nixon, NSD 29), circumvent congressional restrictions on foreign arms sales (Reagan, NSD 17), implement a Persian Gulf security framework (Bush I, NSD 26, 45), and direct policy toward 'rogue' nations such as Egypt and Syria (Kennedy, NSD 105).[144]

The use of presidential signing statements—official documents in which a president lays out his legal interpretation of a bill for the federal bureaucracy to follow—formally dates back to 1822.[145] However, only recently have presidents issued statements claiming the authority to ignore congressional legislation. President Reagan was first to assert the authority to disregard legislation undercutting the constitutional provisions that direct the president to "supervise the unitary executive branch." George H. W. Bush repeated this precedent several times. Most recently, George W. Bush, citing his authority as commander-in-chief, has declared that he can ignore any act of Congress that seeks to regulate the military. Specifically, Bush has issued signing statements declaring his authority to ignore legislation that restricts U.S. troops engagements in Columbia; to bypass laws requiring him to inform Congress before diverting money from authorized account to a covert operation; and to disregard statutes forbidding the military from using intelligence that was not

[143] According to 1988 U.S. Government Accountability Office (GAO) estimates, approximately 23% of NSD's issued since 1961 had by 1988 been declassified. Approximately 54% of declassified NSD's categorize as "significant" (as opposed to nominal) based on the author's reading of every available directive (Gordon 2007, 365).

[144] See the Federation of American Scientists Project on Government Secrecy for a list of declassified directives. Accessed at http://www.fas.org/irp/offdocs/direct.htm Published volumes on the Truman through Nixon-Ford administrations are published by the Bureau of Public Affairs, Office of the Historian in the U.S. Department of State. Accessed at http://www.state.gov/r/pa/ho/frus/c1716.htm

[145] James Monroe began the practice by issuing a Special Message in attempt resolve a constitutional ambiguity.

"lawfully collected", including information gathered in violation of Fourth Amendment protections against unreasonable searches (see Savage 2006).

In the domestic realm, patterns of presidential policy-making yield parallel developments. During the first 150 years of the nation's history, treaties (which require Senate ratification) regularly outnumbered executive agreements (which do not); since World War II, presidents have signed roughly ten executive agreements for every treaty submitted to Congress (Moe & Howell 1999). Though the total number of executive orders has declined since the New Deal, presidents issued almost four times as many "significant" executive orders in the latter half of the twentieth century than they did in the former (Howell 2005).

While institutional structures encourage presidents to initiate policies that advance the administration's agenda and augment their leadership capabilities, it is only after World War II that the domestic and geopolitical climate have encouraged the ongoing proliferation of resources that allow presidents to fully seize upon this initiative—especially in matters of national security. Indeed, since World War II, presidents have controlled a permanent weapons arsenal, national security apparatus, and permanent standing armies. They have further enhanced their authority by construing existing laws designed to constrain their actions as authorizations and structuring the intelligence community to centralize and insulate their authority over military decisions (see Koh 1988; Trask 1997).

Congress is poorly structured for such initiative, largely because of its ties to local constituencies, competing interests, and bicameralism. Congress is a collective institution made up of hundreds of members, each with discrete electoral concerns

(Mayhew 1974). Structural arrangements tend to debilitate individual members' willingness and ability to effectively safeguard its institutional prerogative (Olson 1971). Indeed, Congress can only make decisions through the laborious aggregation of member interests and preferences, and when it does, "congressional penchant for blunt, simple action" (Mayhew 1974, 126) often renders legislative outcomes insufficiently sensitive to complex problems. While party leadership does impose some control over member behavior, party lesaders are still notoriously weak compared to their executive counterparts. Moreover, congressional structures reinforce this weakness: "Good leadership means promoting the reelection prospects of members by decentralizing authority, expanding their opportunities to serve special interests, and giving them the freedom to vote their constituencies" (quoting Moe & Wilson 1994, 25; also see Mayhew 1974; Fiorina 1989).

The dubious success of major congressional reforms designed to check the president's war powers underscores this institutional disparity. The Senate Church Committee and House Pike Committee formed to oversee intelligence activity in 1975, following a period of widespread congressional deference to presidential control over military engagements and foreign affairs from the 1940s through 1960s (Smist 1994; Trask 1997).[146] The trigger for congressional participation occurred in response to the CIA-sponsored domestic wiretapping,[147] President Nixon's Watergate break-ins, withdrawal from the unpopular war in Vietnam, and the CIA's active role

[146] Prior to the early 1970s, congressional interest arose only when embarrassing incidents occurred, such as when the Soviet Union shot down a U2 spy plane in 1960 or after the Bay of Pigs, when a CIA-sponsored invasion of Cuba by anti-Castro Cuban exiles failed.

[147] On December 22, 1974, journalist Seymour Hirsch broke a front-page report on illegal domestic spying conducted by the CIA.

in the overthrow of Salvador Allende, a popularly elected Chilean leader. The Church Committee investigated and reported on FBI and CIA-sponsored domestic surveillance activity, covert actions abroad, and U.S. counterintelligence.

In the height of this congressional reform movement, Congress passed what is acknowledged as the ambitious foreign affairs legislation following Vietnam—the 1973 War Powers Resolution.[148] Passed by a Democratic Congress over Nixon's veto, the Resolution was designed to impose a check on the executive by requiring that the president notify Congress within 60 days of executive troop deployment. The Resolution has been criticized on a host of counts: it not only implicitly suggests that the president can independently deploy troops and direct their activities for 60 days, but the language also invites the executive to exploit various loopholes in its reporting requirements.[149] Subsequently, presidents have continued to introduce U.S. armed forces into hostilities without consulting Congress and without legislative authorization (Grimmett 2004a).[150] While scholars have pointed to "faulty draftsmanship" as a basis for presidential discretion in reporting requirements (Koh 1988), questionable wording simply reinforces the lack of congressional incentive to

[148] Public Law 93-148 [H.J.Res. 542], 87 Stat. 555, passed over President Nixon's veto November 7, 1973.

[149] The Resolution states that the president must only consult Congress only "in every possible instance," fails to specify how many members must be notified or how far in advance, and permits the president to submit three types of reports—when U.S. armed forces are introduced "into hostilities" or imminent hostilities; into foreign territories, airspace, or waters designed for combat; or in numbers that substantially enlarge a combat unit. The law's 60-day clock for removing troops from combat runs only from the date that a report is submitted regarding moving troops in "hostilities" pursuant to section 4(a)(1), and not when one of the other two types of reports are filed (see 50 U.S.C. Section 1543(a)-(c), 1544(b)).

[150] In fact, presidents have cited section 4(a)(1) (the provision triggering the 60-day clock) on only one occasion—following President Ford's order to the armed forces to retake the Mayaguez, a U.S. vessel seized by Cambodia—and by the time the action was reported, it was virtually over. See Law Library of Congress, War Powers. Accessed at http://www.loc.gov/law/help/war-powers.html (last updated January 2, 2009).

impose stronger language and absence of institutional resources with which to back it up.

Congress later passed the 1980 Intelligence Oversight Act (S. Res. 400) requiring "timely" notice of covert military or intelligence activities overseas to permanent select standing committees. However, one of the strongest congressional attempts at curtailing a large-scale covert action program simply forced the intelligence community to implement its program underground: In 1982, a Democratic Congress passed a series of amendments aimed at curtailing the Reagan administration's support for the Contras, collectively known as the Boland Amendments (named after R. Boland (D-MA), their prime sponsor). Despite the broad, inclusive wording in the prohibitory legislation that Congress had passed,[151] the National Security Council had the resources and institutional mechanisms with which to draw on CIA operatives in Nicaragua while seeking finances for the Contras from friendly governments, including illicit transactions with Iran.[152] A 1993 report by the Intelligence Oversight Board also suggests a broader trend of non-compliance among CIA and NSC leadership with congressional notification requirements pursuant to the 1980 Act.[153]

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[151] The 1984, P.L. 98-143 barred all military and covert assistance to the Contras by the CIA, DoD "or any other agency of entity involved in U.S. intelligence activities…for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua…"

[152] For comprehensive documentation of the Iran-Contra events, see National Security Archive, "The Iran-Contra Affair 20 Years Later," Electronic Briefing Book No. 210, posted November 24, 2006. Also see Fisher (1989) for an account of President Reagan's efforts to circumvent Congress' explicit withholding of funds by seeking money from private parties and friendly foreign governments to finance the Nicaraguan Contras.

[153] U.S. Executive Office, Intelligence Oversight Board, "Report on the Guatemala Review," June 29, 1996. Available at the George Washington University National Security Archive. Accessed at http://www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB27/04-01.htm

Following the Cold War, President Clinton introduced U.S. forces into an air war in Bosnia without congressional authorization, and later, unilaterally committed forces in a NATO-led military operation in Kosovo. The president's latter action led Republican members of Congress to file a suit in the Federal District Court arguing that the President was violating the War Powers Resolution by introducing military forces without congressional authorization. (The court dismissed for lack of standing.)[154] Although the Republican-controlled Congress introduced a flurry of legislation aiming to limit or cut off funds for Kosovo operations and the continuing air war over the former Yugoslavia, most measures failed by narrow margins. Instead, despite many members' expressed opposition, Congress provided an emergency supplemental appropriations bill in FY1999 providing billion of dollars in funding for the existing Kosovo operations (Grimmett 2004b).[155]

Many scholars have addressed the ways in which structural disparities create internal pressures among legislators to delegate, condone, or acquiesce to executive leadership in order to address national threats—at least until the administration abuses or mismanages its authority (Smist 1994; McCubbins & Schwartz 1984; Silverstein 1997; Koh 1988) or a majority of Congress finds partisan incentives to call attention to executive missteps (Howell & Pevehouse 2007). Still, despite political scandals, unpopular wars, and intermittent periods of divided government, the geopolitical climate of the Cold War (followed shortly after by the 'war on terror') has facilitated tremendous complicity between Congress and the executive branch during periods of

[154] *Campbell v Clinton*, 52 F. supp. 2d 34 (D.D.C. 1999)

[155] Although the House and Senate had both passed measures calling for U.S. support in the Bosnia region, each chamber explicitly refrained from authorizing the use of force (Grimmett 2004b).

both heightened security and unified government. This environment lends to the "explosive constitutional authority of the president…[which in turn] encourages legislative and judicial deference to apparent presidential prerogatives" (Whittington & Carpenter 2003, 499).

As the next section demonstrates, congressional incentives to increase executive authority in matters over national security coincide with the efforts of key members to perpetuate military appropriations. These political incentives prevent Congress from mounting an effective defense against presidential encroachment—despite episodic periods of heightened oversight activity and statutory reform.

Enhancing Executive Resources: Defense Procurement Expenditures

To what extent can Congress check the executive when the administration oversteps its authority? Congress can, of course, increase its oversight activity and pass legislation instructing presidents and agencies on the proper course of action. However, in addition to the logistical difficulty of passing a strongly worded bill, statutory solutions do not address structural imbalances: the legislative process is cumbersome, easily compromised through multiple veto points, and often suffers from lack of enforcement mechanisms (Silverstein 1997; Adler & George 1996, 83-241). Congress can, however, circumvent these difficulties and control foreign affairs by withholding appropriations.

The constitutional framers prioritized legislative control over wartime expenditures as a cornerstone of the separation of powers system and critical protection against tyranny. James Madison's (*Federalist 47)* insight that combining

legislative and executive powers facilitates tyranny led him to favor a political system of separate and distinct powers in which "the legislative department alone has access to the pockets of the people" (*Federalist 48).* The power of purse, he argued, constitutes the "most complete and effectual weapon with which any constitution can arm immediate representatives of the people" (*Federalist 58).*

The framers decisively rejected a government in which a single branch could both make war and fund it. Familiar with efforts by English kings to rely on extra-parliamentary sources of revenue for their military expeditions and other activities, the U.S. Constitution deliberately vested the power of the purse in Congress.[156] Alexander Hamilton (*Federalist 69)* famously contrasted the King of England's power, which "extends to the *declaring* of war and the *raising* and *regulating* of fleets and armies," with the Constitution, which expressly grants these powers to Congress.[157]

Given the president's "supreme command and direction of the military and naval forces," Congress' sole control over the decision to fund wars was construed as a crucial element of the separation-of-powers structure (*Federalist 69).* Until World War II, members of Congress safeguarded this prerogative by regularly increasing military expenditures in preparation for war and demobilizing forces following the termination of conflict. Arthur Schlesinger was the first to prominently point out that although the earliest U.S. presidents often employed military forces without explicit

[156] Under Article I, Section 9, "No money shall be drawn from the Treasury, but in the Consequence of Appropriations made by law."

[157] See Article I, Section 8, Cl. 11-13.

authorization, they consistently performed their actions in direct consultation with Congress (see Schlesinger, in Sofaer 1976; also see CRS Report RL30172, 2004). [158]

While presidents have historically sought to direct foreign affairs with limited congressional interference, presidents prior to World War II faced the practical requirement of obtaining additional funds in order mobilize forces. Prior to World War II, Congress' control over military resources severely restrained presidents' decisions to apply force unilaterally. The need to obtain funds from Congress ensured that major military commitments followed from a formal congressional declaration.[159] As detailed in Chapter 1, when earlier presidents engaged military forces without approval, they were forced to act on a much smaller scale and to maintain direct consultation with Congress.

While unilateral presidential initiative over foreign affairs is not new, scholars have marked World War II as the turning point at which presidents have not only engaged U.S. military forces without explicit authorization, but have also claimed an inherent right to evade legislative accountability (Wormuth & Firmage 1986; Silverstein 1997; Fisher 2004). As Schlesinger (2004, 135) remarks, President Truman's unilateral decision to commit military forces in Korea in 1950 "beguiled the American Government first into an unprecedented claim for inherent presidential

[158] Schlesinger drew on the research of Judge Abraham Sofaer, previous legal counsel to the Reagan administration in the State Department.

[159] The U.S. has formally declared war against foreign nations five times in its history: the war against Britain in 1812, the Mexican-American War in 1846, the Spanish-American War in 1898, World War I (declared against Germany and Austria-Hungary) in 1917, and World War II (declared against Japan, Germany, and Italy) in 1941. Congressional authorizations (short of formal declarations) for extended military engagements include the Undeclared Naval War with France from 1798-1800, the First Barbary War from 1801-1805, the Second Barbary War of 1815, the Vietnam War from 1964-1973, the Persian Gulf War of 1991, military actions against the Taliban after the September 11, 2001 attacks on the United States, and the War with Iraq in 2003 (see Grimmett 2004c).

power to go to war and then into ill-advised resentment against those who dared bring up the constitutional issue."

The mid-twentieth century shift that scholars highlight indicates neither unprecedented executive ambition nor sudden legislative withdrawal. Rather, the shift reflects a consistent institutional response to structural changes in international politics and political economy. After World War II, geopolitical factors and industrial capabilities gave rise to a number of mechanisms that obviated Congress' traditional power to declare war. Foremost, presidents no longer relied on emergency funds to mobilize an army. The practical need to consult Congress for start-up funds has been obsolete since World War II, in large part because congressional budgetary authorizations continue to provide ongoing military resources. Presidents, in turn, have structured institutions so as to leverage congressionally appropriated resources at their own discretion.

Executive actors rely on the existence of a massive weapons arsenal when they initiate military engagements without consulting Congress for additional resources. Members of Congress prioritize ongoing expenditures that render their decision to initiate war unnecessary for two main reasons. In addition to a *strategic* incentive to support national defense spending during periods of crisis or heightened threat and an electoral incentive to appear strong on defense, key members also gain important *parochial* advantages from increased levels of weapons expenditures. Despite the sensitive nature of national security expenditures, congressional incentives to procure defense revenue are not qualitatively different from other parochial benefits, such as highways, roads, or agricultural subsidies (Stein & Bickers

1995). As previously demonstrated in Chapters 2-4, large military industries bring relatively secure jobs to local communities, as long as federal defense funds continue to flow to these areas. The rise of a permanent weapons industry, national intelligence establishment, and Cold War climate created strong institutional incentives to expand the defense procurement budget indefinitely.

While a permanent weapons arsenal expands executive capabilities, this does not mean that presidents seek to increase procurement budgets indefinitely. Rather, presidents must consider geopolitical, strategic, and fiscal matters in setting policy and influencing budget levels. In fact, institutional structures and diverging constituencies can create competing budgetary priorities between the political branches. At the end of the Cold War, Presidents Bush I and Clinton sought to decrease military expenditures in response to a period of reduced threat and emerging budgetary crisis. Yet, while President Clinton pledged to reduce military spending and direct attention to the nation's non-military needs, the administration did not cancel a single major weapon system! As Chapter 3 discusses in detail, pressure from influential members of Congress that oversee military programs kept most Cold War weapons platforms alive.

If the institutions controlling defense spending have vested interests in resisting major cutbacks, then one should observe a substantial baseline of funds cushioning the procurement budget, regardless of a nuclear deterrent, periodic troop withdrawals, and periods of relative peace. At the same time, however, presidents, DoD, and members of Congress alike must publicly justify defense budget levels based on intelligence assessments and strategic requirements. Variations in military

strategy, heightened wartime spending, and domestic agenda-setting should also result in budgetary fluctuations, with increased spending during major wars and declines during periods reduced conflict.

To examine these assessments, Figure 5.1 displays national weapons outlays from 1962 to 2007. Weapons expenditures provide one important gauge of resources available to executives, who rely on available military technology in order to utilize force without consulting Congress. For example, Presidents Bush I and Clinton have utilized cruise missiles—unmanned, stealth technology—in order to attack enemy targets without massive troop deployments. Further, as I discuss in the section below, presidents increasingly rely on executive agents and covert operatives to conduct military actions, placing less emphasis on troop strength. While troop count is subject to congressional reductions at any time, weapons supplies build up over time regardless of whether Congress authorizes further production. While these budget levels do not directly reveal the factors shaping them, they do gauge the extent to which post-war Congresses have provided expenditures that allow the executive branch to direct military actions unilaterally.

Procurement outlays represent money appropriated by Congress and spent by DoD on contracted weapons programs in a given fiscal year. Total weapons outlays include expenditures for defense procurements, defense research & development (R&D), Department of Energy (DoE) atomic energy and weapons activity, and DoE national nuclear security (available from FY1999-2007). The numbers are adjusted to constant 2006 dollars.[160]

[160] Inflation conversion factors are the average of OMB and CBO inflation estimates for each year as of early 2006 and compiled by Robert Sahr, Inflration Conversion Factor for Dollars 1774 to Estimated

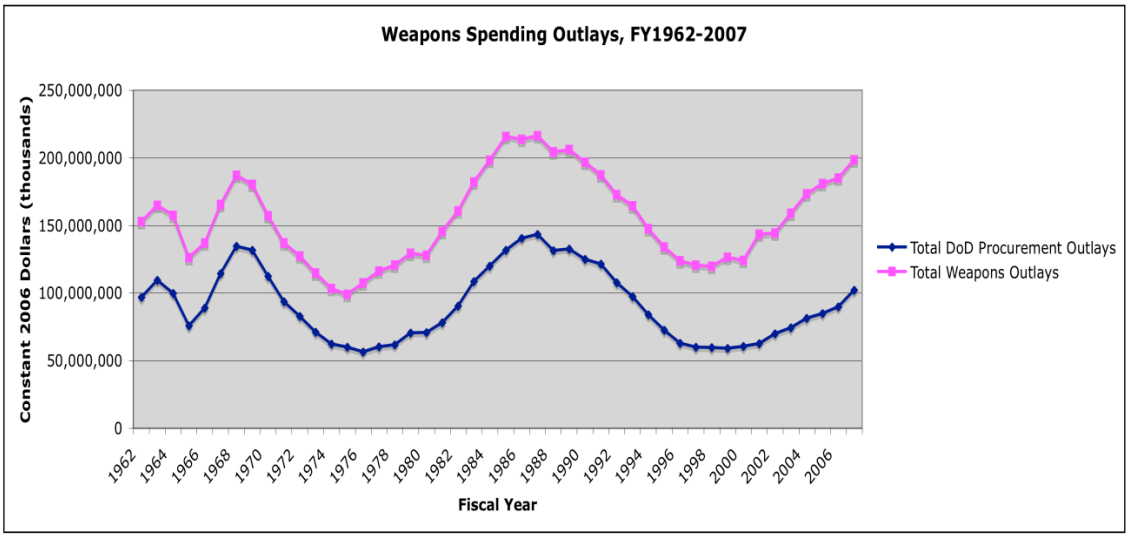

Figure 5.1 – Weapons Spending Outlays, FY1962 – 2007 (in thousands of 2006 dollars)

As expected, weapons outlays follow cyclical trends. However, spending levels do not directly track major military engagements. Instead, these pattern are sensitive to several important political factors: Most noticeably, despite periods of threat reductions, backlash to unpopular wars, and pronounced domestic priorities, Congress and DoD have maintained a baseline of nearly $100 billion in annual weapons outlays (approximately $50 billion in defense procurements alone). Given this budget cushion, it is not surprising that executives enjoy considerable resources and flexibility to pursue their policy goals.

As displayed in the graph, weapons expenditures hit a low ebb at the immediate onset of formal U.S. entrance in the Vietnam War in 1965 ($126 billion in weapons outlays, $75 billion of which went toward defense procurements). Though

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2019. Accessed at http://oregonstate.edu/cla/polisci/faculty-research/sahr/sahr.htm. The raw (unadjusted) numbers were drawn from U.S. Executive Office, Office of Management and Budget. Budget of the United States Government, FY 2008: Historical Tables. For a more detailed breakdown of national security expenditures documented by function and sub-function, refer to Truth&Politics.org, Federal Budget, Detailed Numbers. Accessed at http://www.truthandpolitics.org/budget-numbers-intro.php.

Congress was solidly behind Lyndon Johnson's Vietnam policy—the 1964 Tonkin Gulf Resolution passed both houses with only two votes in opposition—Johnson did not require any additional weapons build-up in order to initiate war the following year. When the Tonkin resolution was repealed in 1971, President Richard Nixon pointed to his constitutional power as commander-in-chief as giving him the authority to reduce the level of U.S. troops in combat at the pace he thought best. While Congress voiced opposition with soft reductions in weapons spending levels, no constitutional confrontation arose because Congress kept appropriating the money necessary to fight the war (see Sofaer 1976).

The weapons budget reached a $100 billion nadir in the 1975 fiscal year, in the immediate aftermath of the Vietnam War, Watergate and the resignation of President Nixon. Still, despite the absence of a major military engagement, in addition to heightened inter-branch conflicts, procurement outlays increased systematically in the mid-late 1970s until peaking at over $200 billion in 1985. Former Pentagon Acquisition Chief Jacque Gansler (1980, 26) documents a number of practical and financial problems brought on by these spending policies, including a rate of only 50% utilized equipment and hundreds of billions of dollars in pending procurement claims. Accordingly, the post-Vietnam growth in procurement spending, combined with the decline in military activity, helped catalyze a 90% increase in foreign military sales and U.S. defense industry dependence on international arms exports.

In addition to the substantial baseline of funds that expenditures provide, it is also important to note that the weapons budget peaked in absence of a major troop

deployment. Weapons outlays during the Reagan build-up of the 1980s exceeded expenditures during the Vietnam War, following 9-11, and (by a narrow margin) throughout the current war in Iraq (as of FY2007). Reagan's political success in achieving a $216 billion arms build-up suggests that presidential leadership can help spur increased spending levels within the context of an ongoing cold war, but without a direct military engagement. However, it is also evident that the 'Reagan build-up' actually began under Carter, and began to decline *before* the fall of the Soviet Union.[161] While weapons outlays gently receded in the 1990s, after the termination of the Cold War, Congress still spent more on weapons in FY1996 than it did in FY1975 to counter Soviet expansion during the Nixon administration (by a factor of 30%, in inflation-adjusted dollars). Expenditures remained above $120 billion in the late 1990's and increased when Bush II took office. Weapons outlays have trended upward during the 'war on terror' and currently approach 1980s spending levels. This effectively allowed the Bush administration to continue to prosecute the war in Iraq—despite the stated efforts of a Democratic majority to end the unpopular war.

Figure 5.2 juxtaposes weapons outlays (above) with defense procurement budgetary authorizations and contract obligations, adjusted to constant 2006 dollars.[162] Authorizations, obligations, and outlays comprise different stages of the

[161] The total defense budget exhibits similar trends.

[162] For data on historical procurement obligations, see U.S. Department of Defense Statistical Information Analysis Division, Department of Defense Procurement Summary. Accessed at http://siadapp.dmdc.osd.mil/procurement/historical_reports/trends/PROTREND/protrend.html. These figures are replicated in U.S. General Accounting Office reports. See U.S. GAO 2006 (September), GAO-06-800T http://www.gao.gov/htext/d06800t.html.

budget process. Congress grants executive agencies authority to spend up to a certain level, which allow DoD to enter into legally binding agreements with contractors or suppliers. These contract obligations are the dollars the agency legally commits to spending to acquire goods and services. The obligations due result in budget outlays, or payments made from the federal treasury. One scholar aptly compares budget authority to putting money in a checking account, and budget outlays to writing a check (Oleszek 2007, 45). Extending the simile, entering contract obligations is like making purchases with a credit card and promising payment at a later date.

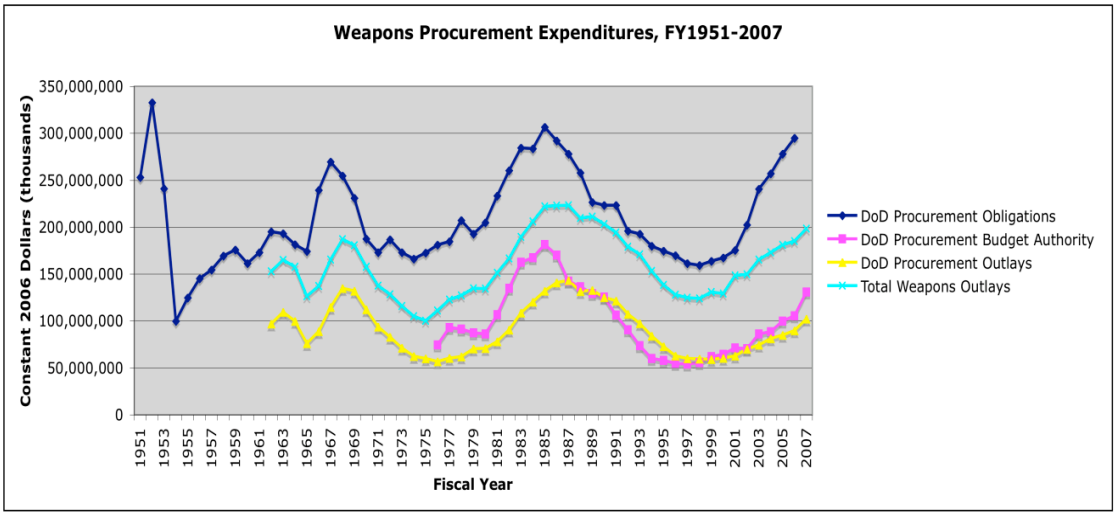

Figure 5.2 – Weapons Procurement Expenditures, FY1951 – 2007

Perhaps most strikingly, DoD procurement obligations far exceed the budgetary authorization that Congress sets and the outlays spent on weapons programs. Indeed, after 1962, procurement obligations have not dipped below $150 billion (compared to a $50 billion baseline in defense procurement outlays), and peak at over $300 billion in 1985 (relative to $132 billion in 1985 procurement outlays). While this could reflect Defense Department contract obligations that Congress later

cancels or refuses to fund, it also means that DoD is contracting nearly 2/3 of weapons purchases beyond its procurement budget. These unauthorized funds also reflect contracts obligated for future years or dollars that go straight into the national debt (see Higgs 2007).

Obligation trends begin to suggest that DoD plays a more prominent role in the budget process than previously assumed: procurement *obligations* peaked during the Bay of Pigs (1961), Tet Offensive build-up (1967-68), and in the heat of the Iran-Contra scandal (1985); sharp increases in procurement *outlays* echoed these trends, peaking in 1962, 1968, and 1987, at a 1-2 year lag. However, DoD obligation trend lines follow congressional budget *authorizations* more closely. Despite the considerable discrepancy between levels of authorized and unauthorized funds, authorizations and obligations follow almost identical patterns, peaking and ebbing in coinciding years. These patterns begin to suggest that DoD attempts to shape budget levels by systematically contracting a certain point beyond the budget authority that Congress sets, pending either program cancellation or future payment. The finding is also consistent with political economist Robert Higgs' (2007) projections that defense-related expenditures roll over into deficit spending from year to year.

These budget levels alone do not reveal whether procurement spending is wasteful or excessive relative to national security goals. However, these data on procurement spending over time do indicate that Congress has relinquished its traditional role in mobilizing and demobilizing forces. Procurement obligations made during and after the Korean War help illustrate the traditional wartime spending policies that characterized inter-branch relations until the Eisenhower administration:

wartime procurement obligations reached over $300 billion at the height of the Korean War in 1952 and immediately fell below $100 billion in 1954, the year after the war ended. No war since Korea has required such a massive build up or motivated a 70% reduction in procurement spending immediately following the termination of conflict. Instead, key members of Congress have provided hundreds of billions of dollars annually to increase military technology and weapons capabilities, regardless of whether the U.S. was engaged in armed conflict. Presidents, in turn, have leveraged these resources to initiate hundreds of military actions, regardless of congressional approval. Congressional defense spending policies have led Senator Patrick P. Moynihan to conclude that, "The great armed force [created to fight the Cold War is] now at the president's disposal for any diversion he may wish, no matter what it costs" (quoted in DeConde et al. 2002, 216).

The next section discusses how presidents seek to enhance their own institutional capacity by centralizing their authority over the military establishment, devising mechanisms that enable greater executive secrecy, and privatizing multiple aspects of military activity that minimize congressional oversight.

Expanding Executive Authority: Presidential Initiatives

Following World War II, the growth of a national security establishment and permanent weapons arsenal coincided with two prominent presidential strategies concerning military affairs. Each further insulates the president's own institutional authority from ongoing legislative control, restricts information from public scrutiny, and affords presidents greater flexibility in directing foreign affairs. First, presidents

have systematically relied on executive secrecy, utilized covert military operations and heightened document classification levels. These strategies remove executive actors from official legal channels, exacerbate informational asymmetries between the executive branch and Congress, and weaken legislative capacity to monitor. Second, and more recently, presidents have sought to privatize multiple aspects of military activity, including the use of contractors to handle the military's logistical activities and the funding of private firms to provide security and conduct other military operations. As recent reports suggest, employing non-government entities in military operations renders oversight increasingly untenable and creates mechanisms that allow presidents to circumvent statutory limitations on their authority.

Throughout the 1940s, the executive branch created numerous central intelligence organizations involved in intelligence analysis, propaganda dissemination, espionage, and guerrilla warfare. These entities were structured "within the executive branch almost entirely at presidential initiative" (Whittington & Carpenter 2003, 505). In fact, Congress did not formally authorize these institutions until the director of Central Intelligence requested assistance from Congress in order to augment his position relative to the FBI, War Department, and State Department (see Weiner 2007, 9-19). When the CIA went to Congress for help, they created the 1947 National Security Act (NSA). The NSA established a new National Security Council (NSC) as the White House switchboard for presidential decisions. The Act also created the office of Secretary of Defense to unify the military departments and made the air force a separate service.

While the 1947 Act formally secured the Central Intelligence Agency (CIA) within the intelligence bureaucracy, it said nothing about covert operations overseas; rather, it instructed the CIA to evaluate and disseminate intelligence, and to perform "other functions and duties related to intelligence affecting the national security." However, the NSC immediately passed a number of classified directives authorizing the CIA to engage in covert, paramilitary operations and other "black" activities, including CIA involvement in influencing the 1948 Italian elections (see NSC4-A, NSC-10-2).

In response to these events, Congress passed the CIA Act of 1949, which permitted the Agency to use confidential fiscal and administrative procedures, such as exempting disclosure of its "organization, functions, officials, titles, salaries, or numbers of personnel employed" (see 50 U.S.C. § 403a). A classified black budget, subject only to approval by a small armed services subcommittee, effectively granted the CIA untraceable funds buried in the Pentagon's budget with which to raise its own armies and conduct classified operations overseas (Weiner 1990; 2007, 40-41). To date, the Pentagon's black budget consists of classified expenditures for intelligence gathering, covert operations, and military research and weapons programs hidden in the Pentagon's overall budget. It includes spending by the CIA, the Defense Intelligence Agency (DIA), the National Security Agency (NSA), and military R&D. Though it admits to no easy calculation, estimates suggest that the budget may hit $30 billion a year.[163]

[163] Matthews, Williams. 2007 (August 29). "'Black' U.S. R&D Budget Estimated at $17.5 Billion." DefenseNews. Accessed at http://www.globalsecurity.org/org/news/2007/070829-black-budget.htm (Research & Development only accounts for part of the black budget. According to Matthews (2007),

While the mechanisms allowing for executive secrecy (and hence, unilateralism) clearly expanded during the late 1940s, this still does not indicate the extent to which presidents or agency heads have utilized their ability to withhold information and operate outside of traditional legal channels. Of course, the obvious challenge to conducting such a study rests in the very nature of the subject: direct information on executive secrecy is, by definition, unavailable. However, analyzing the level of classified material reported in each fiscal year provides a preliminary gauge of level of undisclosed executive communications taking place.

On June 28, 1978, President Carter issued Executive Order 12065, which designated an official basis for classifying information.[164] The Information Security Oversight Office (ISOO) was subsequently formed to oversee security classifications. ISOO is a component of the National Archives and Records Administration (NARA) and receives program guidance from the NSC. The organization maintains public records of the level and designation of all executive classification activity within each fiscal year. While the reports do not indicate the size of the classified documents, they do provide a preliminary gauge of the volume of covert communications within the executive branch.

Figure 5.3 includes data on annual document classification levels from FY1980 to FY2006.[165] Organizations reporting include the CIA, DoD, State

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the military also requested $14.4 billion to buy classified weapons) Also see Weiner (1990) for a more detailed analysis of the Pentagon's hidden funds.

[164] As amended by EO 12148, July 20, 1979, 44 F.R. 43239; EO.12163, Sept. 29, 1979, 44 F.R. 56673, which related to classification and declassification of national security information and material, was revoked by EO12356, Apr. 2, 1982, 47 F.R. 14874, 15557.

[165] There are three categories of classification: original, derivative, and combined. Original classification is an initial determination by an authorized classifier (classifiers are subject to change

Department, Department of Justice (DoJ), NSC, Federal Emergency Management Agency (FEMA), DoE, and Treasury. The CIA, DoD and State Department account typically account for almost all of the reported document classifications (98.9% in FY1980). Figures for FY1980 to 1984 are reported as estimated outcomes. Unfortunately, ISOO labels the reported figures for FY2001 and 2002 as unreliable due to temporary changes in departmental reporting techniques. These figures are excluded from the analysis.

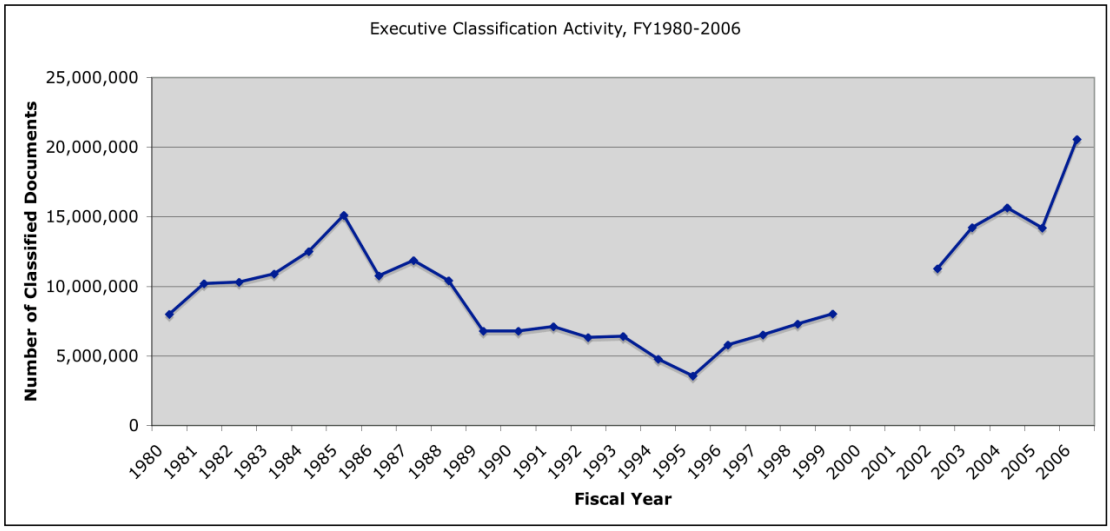

Figure 5.3– Executive Classification Activity, FY1980-2006

As displayed in Figure 5.3, document classification levels tend to follow relatively predictable patterns in light of publicly known geopolitical and domestic events. Classification activity peaked during the Iran-Contra scandal in FY1985 (15,120,298 documents) and again in FY2006 during the escalation of the Iraq war

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according to the discretion of the president or selected agency heads) that information requires protection because unauthorized disclosure could "reasonably be expected to cause damage to national security" (ISOO Report to the President 2006, 19). Derivative classification occurs when a new document incorporates, restates, and generates previously classified security information. I report combined classification estimates (both original and derivative) in order to gauge a more complete volume of secret executive communications.

and NSA warrantless surveillance controversy (20,556,445 documents). Also not surprisingly, classification levels dropped considerably throughout the 1990s, in a period of reduced conflict. In fact, in 1994, President Clinton issued Executive Order 12937, which declassified a number of classified records dating back to the 1970s within the National Archives. The following year, in FY1995, classified materials fell to the lowest point on record (3,579,505). Nonetheless, classification activity increased systematically during the late 1990s, more than doubling in volume by FY1999 (8,038,592).

On November 1, 2001, President Bush issued EO 13222, re-classifying a number of documents and setting new restrictions on access to presidential records. In 2003, the Bush II administration initiated the war in Iraq—which later spawned probes regarding forged nuclear intelligence.[166] Accordingly, classification levels in the 2003 fiscal year increased by nearly 80 percent of the FY1995 volume (14,228,020). However, despite the considerable variation in levels of disclosure over the past sixteen years, the executive branch has systematically classified millions of documents annually—(at least) tens of thousands of documents per day—regardless of whether the U.S. has engaged a major troop deployment requiring authorized military secrecy.

[166] U.S. House Committee on Oversight and Government Reform. Iraq Intelligence and Nuclear Evidence, Various Reports, 2004. Accessed at http://oversight.house.gov/investigations.asp?id=204 (Reports and investigations led by Rep. Waxman include "What Intelligence Officials Knew About the Forged Evidence in Iraq" and "The Bush Administration's Use of Forged Iraq Nuclear Evidence".)

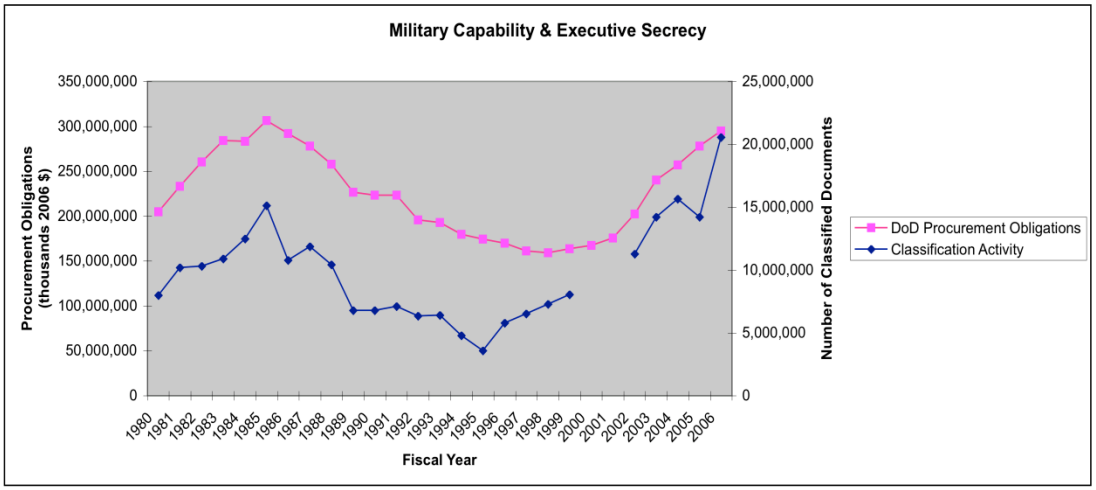

Figure 5.4 – Military Capability and Executive Secrecy

Note: Figure 5.4 displays values from Figures 5.2 & 5.3.

The graph in Figure 5.4 displays the rate of annual classification activity superimposed on annual contract obligations (see Figure 5.2). It is immediately striking that levels of military capabilities and executive secrecy follow roughly equivalent trends from year-to-year. Indeed, each peaked in FY1985, gently receded in the late 1980s and early 1990s, and shot back up toward 1980s levels at the turn of the twenty-first century (classification activity actually surpassed 1980s levels in FY2004). Despite the rather arresting similarity of these patterns, however, one must interpret these results cautiously. These figures alone do not provide evidence that military capability and executive secrecy are directly related. Rather, the relationship could be spurious, as each factor is shaped by broader, geopolitical events and executive responses (such as the U.S.-Soviet arms-race in the 1980s, military de-escalation in the 1990s, and heightened national security status following the attacks of September 11, 2001). However, it is worth speculating whether weapons expenditures constitute a necessary (if insufficient) factor for increased covert

activity, as an expansive pool of resources and the potential to use force make it easier for presidents to operate independently. It is also possible that the executive agenda can successfully influence the level of weapons outlays and classification activity as two components of the same strategy. Despite the lack of causal evidence, the finding is important given the strong indication that weapons expenditures and government secrecy are at least indirectly related. Further, greater levels of secrecy weaken Congress' capacity to effectively monitor executive actions.

Systematic non-disclosure within the national security and intelligence communities and the proliferation of hidden, untraceable funds have historically allowed presidents to direct covert military operations without explicit approval from Congress, subject only to the availability of military technology (see Koh 1990; Fisher 2004; Weiner 1990, 2007). Indeed, as one scholar points out, presidents have strategically transferred power away from larger, more accountable bureaucratic institutions, such as the DoD and State Department, to smaller, covert entities capable of swift, flexible action—such as the NSC and CIA (Koh 1990, 123).

The emphasis on covert action and maximum efficiency in modern warfare traces back several decades, with roots in the early careers of Donald Rumsfeld, Dick Cheney, and Paul Wolfowitz in the 1970s and currently circulated in think tanks such as Project for a New American Century (see Mann 2004 for a detailed account). During the 1990s, President Clinton also embraced privatization, drawing on private contractors during the Balkans conflict of the 1990s and the 1999 Kosovo war. Clinton authorized the Virginia-based military consulting firm, Military Professional Resource Incorporated, to train the Croation military in its secessionist war against

Serb-dominated Yugoslavia (see Hartung 2004; Scahill 2007, xvi). The shift from bureaucratic agencies to private firms is important because these entities operate with fewer restrictions and less accountability. They free up executives by minimizing viable congressional oversight.

Privatization agenda (later part of the "Rumsfeld Doctrine") reached its climax under the Bush II administration. The widespread use of contractors in modern warfare and the transformation of the Pentagon bureaucracy "to behave less like bureaucrats and more like venture capitalists" (Rumsfeld 2002, 20) is perhaps most clearly observable in the internal restructuring of the Pentagon. Historically, civilian defense agencies have decreased in size during periods of reduced conflict and increased during prolonged military engagements.[167] As the Rumsfeld doctrine was put into practice, one should expect to see substantial downsizing in the bureaucratic agencies that have traditionally managed these functions—despite the 2001 military operation in Afghanistan and the prolonged military commitment in Iraq.

Pentagon agencies most likely to experience reductions were those that traditionally managed logistical functions, including the Defense Information Systems Agency (DISA, providing combat support solutions), Defense Security Services Agency (DSS, performing security checks on military, civilian, and contractor personnel), the Defense Commissary Agency (DECA, managing food purchases at overseas military bases), and the Defense Logistics Agency (DLA,

[167] See U.S. Department of Defense Statistical Information Analysis Division. Civilian Personnel Statistics: DoD Civilan Employment Strength, FY1950-2001. Accessed at http://siadapp.dmdc.osd.mil/personnel/CIVILIAN/CIVTOP.HTM

providing combat support, supplies, and military services). Detailed figures documenting DoD agency personnel employment are only available in limited years, from FY1996 to FY2007, at the DoD Statistical Information Analysis Division.[168]

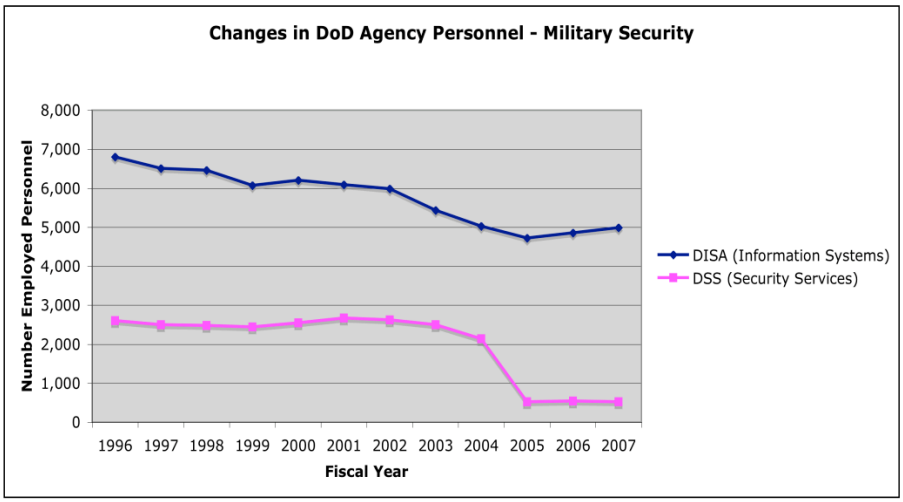

Figure 5.5a – Changes in DoD Agency Personnel – Military Security

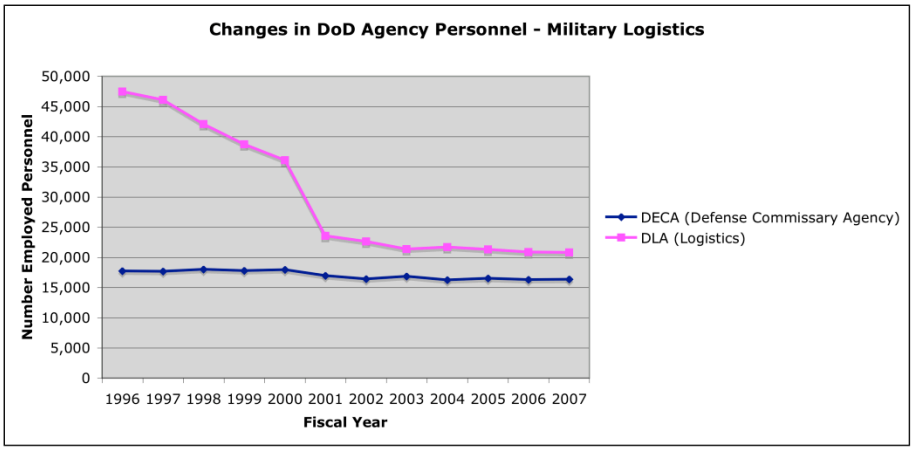

Figure 5.5b – Changes in DoD Agency Personnel - Military Logistics

[168] See DoD SIAD, Civilian Personnel Statistics: DoD Employment by Organization and Function. I record employment data in the last month of each fiscal year (September).

As shown in Figures 5.5a and 5.5b, combat support services (DISA and DLA) have undergone considerable streamlining, shedding 27% and 44% of agency personnel between FY1996 and FY2007 (respectively). DLA employment took the sharpest dive, with a 12,514 personnel reduction (35% drop) in the 2001 fiscal year—the year that George W. Bush took office and Secretary Rumsfeld delivered his September address to the Pentagon. While the Defense Commissary Agency did experience minor re-structuring (an 8% reduction), DECA held considerably constant relative to the other agencies under study. Somewhat more surprisingly, the DSS did not simply downsize, but remained relatively unchanged in size until plummeting during the 2005 fiscal year. The sudden and dramatic drop in the number of personnel charged with overseeing background checks on contractors is especially striking given the rise in contracting activity during this time period (see below for further elaboration).

Despite overall civilian personnel reductions, however, not all agencies experienced the same treatment. Rather, as displayed in Figure 5.5c, Defense Legal Services (DLAS) and Defense Security Cooperation (DSCA) experience pronounced increases (increasing 58% and 50%, respectively). The former provides legal advice and support to the Pentagon, and the latter handles foreign military sales, the foreign transfer of U.S.-manufactured weapons, and international military education and training to U.S. allies. Indeed, DLAS employment spiked in the 2003 fiscal year, increasing by 33% of its size at the same time that U.S. forces invaded Iraq. Other agencies, such as the Missile Defense Agency (40% increase) and Pentagon Force

Protection Agency (31% increase) also accumulated personnel strength during this time period.

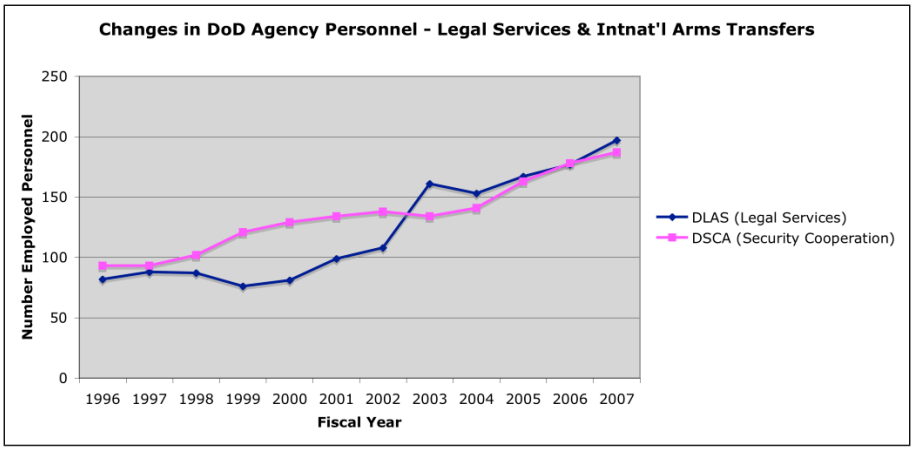

Figure 5.5c – Changes in DoD Agency Personnel – Legal Services & International Arms Transfers

On one hand, these figures suggest that the downsizing of the Pentagon bureaucracy was limited to logistical activity that is instead distributed to private contractors in efforts to handle military services more efficiently. On the other hand, however, this theory is complicated by the targeted personnel cuts within every agency overseeing financial and contract management. Such agencies include the Defense Contract Auditing Agency (DCAA), Defense Contract Management Agency (DCMA), and Defense Finance and Accounting Service Agency (DFAS).

Figure 5.5d documents change in agency personnel strength over time in agencies managing contract and financial oversight. As documented in the graph, each agency not only streamlined personnel during the 1990s, but also deepened these personnel cuts during the period of heightened contract activity in Iraq.

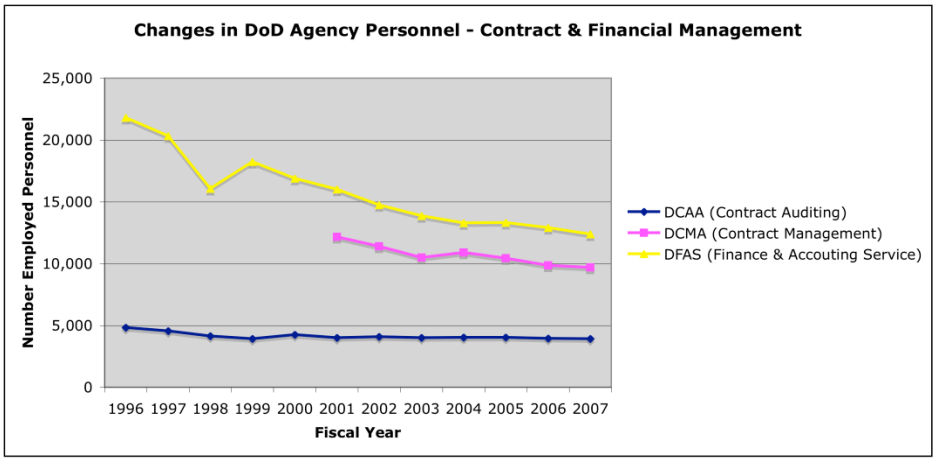

Figure 5.5d – Changes in DoD Personnel – Contract & Financial Management

The Defense Contract Auditing Agency has declined gradually, cutting 19% of employees from FY1996 to 2007. The Defense Contract Management Agency decreased by a similar magnitude (20%) but over a reduced period of time (the agency was established in 2000). Defense Finance and Accounting experienced the most dramatic restructuring, dropping most considerably in FY1998, briefly regaining personnel strength, and then declining steadily to the present date (decreasing in size by 43% overall). Head of GAO Comptroller General David M. Walker remarked that, "What we have seen in recent years is an explosion of contracting, while at the same point in time we have seen a contraction of those engaged in oversight of contracting matters…[This] serves to exacerbate systemic problems that have existed for years" (quoted in Rose 2007).

Consistent with these findings, in 2006 the U.S. General Accounting Office (2006, September, 2-3, 12-13) reported an 88% increase in DoD spending on goods and services since fiscal year 2000 ($270 billion in FY2006), a 100% increase in major weapons systems acquisitions (from $700 billion to $1.4 trillion), and a pronounced rise in DoD's reliance on the private sector to provide services and fulfill

defense missions. At the same time, GAO agency inspectors uncovered insufficient weapons system acquisition and contract management processes, exacerbated by short-staffed DoD acquisition workforce, insufficient monitoring, and "improper use of interagency contracts" (4, 7-8). It comes as little surprise that the companies providing military support and logistical services enjoyed vast gains between 2001 and 2005—including Halliburton (12,646% budget increase), Dyncorp International (200%), Bechtel (139%), Parsons (104%), and Washington Group International (126%) (see Hartung 2006).

While the post-2006 Democratic majority in Congress became increasingly critical of the excess and profligacy associated with the Bush administration's privatization agenda, these bureaucratic reforms and the streamlining of legislative oversight processes went into effect in the immediate aftermath of September 11, 2001—a period of domestic crisis and bipartisanship in which congressional opposition to the Pentagon and CIA was "not a political winner."[169] Accordingly, the Democratic committee formed in 2006 has held hearings and released a number of reports uncovering evidence of systematic profligacy and waste encouraged by ongoing DoD contracting practices—many of which date back to World War II and which, historically, Congress is complicit in implementing. For example, the use of cost-plus contracts (whatever a company spends, the government agrees to reimburse with a 3% fee), sole-source contracting (non-competitive bidding), "indefinite-delivery, indefinite-quantity" contracts (allowing the Pentagon to commission whatever it wants from a company at any time), mark-ups between contract levels

[169] Quoting Jane Mayer, Interview at Politics & Prose, Washington D.C., July 24, 2008.

(creating incentives to subcontract indefinitely) encourage excessive cost run-ups and poor service returns.[170] Commenting on the difficulty of effective oversight surrounding private military contracting in Iraq, Chairman of the Democratic Policy Committee Byron Dorgan remarked: "If sunshine is the best disinfectant, then we can only imagine what grows in the dark" (U.S. Senate DPC 2004).

While the war on terror and war in Iraq have created a market for scores of companies, few have experienced the profit and prominence of Blackwater USA. The use of privately trained military forces allowed the administration to work outside of normal legal constraints and without congressional oversight. Indeed, outsourcing and covert mechanisms allowed to the Bush administration to easily sidestep congressional legislation.[171] Discussing the power and influence of companies like Blackwater USA, Representative Jan Schakowsky reflected on the "disturbing" and "enormous" consequences for executive war powers:

> [Blackwater] empowers…an administration like the Bush administration—if they can engage in this kind of private war-making or a private army, then what do they even need [Congress] for? They can operate in a totally separate arena and engage in conflicts all over the world, and it seems like they don't much need to consult with us about it (R. Schakowsky, interview with Jeremy Scahill, printed in Scahill 2007, 356).

Historically, the need to cooperate with Congress to mobilize troops and raise taxes for in order to pay for weaponry, technology, and troop mobilization created major obstacles to any military interventions that an administration might seek to

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[170] See U.S. Congress, Senate Democratic Policy Committee. "Oversight Hearing on Iraq Contracting Processes," February 13, 2004; U.S. Congress, House Committee on Oversight and Government Reform: Subcommittee on National Security and Foreign Affairs. "U.S. Mismanaged Iraqi Funds," June 21, 2005. Accessed at http://nationalsecurity.oversight.house.gov/

[171] For example, see U.S. Public Law 105-277, prohibiting "the involuntary return of any person to a country in which there are substantial grounds for believing the person would be in danger of being subjected to torture." For a more detailed account of these executive operations, see Mayer (2005).

undertake. Domestic opposition to wars resulted in fewer people volunteering to serve in the armed forces, deflating troop size or necessitating a military draft. With private contractors and security companies, these dynamics change dramatically. Contractors reduce public sacrifices associated with military engagements, lessening internal resistance from Congress and the citizenry.

Conclusion: The Maginot Line

While Congress periodically attempts to strengthen its oversight mechanisms through internal restructuring and statutory limitations, members also continue to prioritize hundreds of billions of dollars in annual weapons expenditures. Much like the Maginot Line—a concrete fortification designed by the French to keep German troops out in the run-up to World War II—congressional reforms typically avoid direct confrontation with the president but ultimately fail to achieve their stated purpose. In the French case, the Germans avoided direct assault on the line, instead invading France by moving through Belgium and the Netherlands. Similarly, an administration can utilize institutional and budgetary authority to sidestep congressional oversight mechanisms without direct confrontation (see Silverstein 1997; Adler & George 1996; Koh 1988, 1990).

The reason modern presidential administrations consistently act without congressional approval in matters of defense and foreign policy is because the president's drive to promote the authority and leadership of his institution generally corresponds with Congress' incentives to defer to executive authority and expertise in matters of national security while simultaneously perpetuating defense resources.

When an administration of the opposing party oversteps its bounds, Congress may find rejuvenated political incentives to check the executive branch. However, despite statutory reforms and increased congressional oversight, a permanent military arsenal, pool of covert operatives, and scores of private contractors and security firms continue to allow the executive branch to conduct military affairs without consulting Congress or asking for additional funds.

Converging institutional incentives and the aggregation of executive authority suggest that political power tends to concentrate when separate institutions find shared incentives to cooperate. In the case of defense spending, representatives' political incentives to appeal to local constituencies generally align with the president's drive to promote the leadership capabilities of the executive branch. This coincidence of interests facilitates the rise of a permanent weapons arsenal and the proliferation of covert operatives and private security forces. Each further enables presidents to direct military engagements at a moment's notice. In 1956, C. Wright Mills (1956, 266) remarked at length on the symbiotic military ascendancy and rise in executive authority following World War II, warning that: "The idea that the power system is a balancing society also assumes that the units in balance are independent of one another." This chapter has aimed to demonstrate that congressional and executive incentives both independently encourage resources and authority over military engagements to concentrate in the executive branch. These arrangements weaken the basic underpinnings of a separation of powers structure.

Conclusion

In the late eighteenth century, James Madison (1792, in Hunt ed. 1900) advanced a seminal argument for structural restraints on military aggrandizement and warfare. Railing against an antiquated, if not naïve, reliance on collective action and goodwill to promote peace and avoid war, Madison argued that institutions can redirect the self-interest of leaders and citizens. From Julius Caesar's Roman army to eighteenth century European monarchies, the allurements of war and ability to avoid personal sacrifice allowed rulers to reap the benefits of warfare while imposing heavy burdens on the general public. However, monarchies and dictatorships plagued with wars, revolutions and military despotism lacked institutional safeguards aimed to prevent the concentration of political power and check private vice. Specifically, these failed regimes lacked mechanisms that divided military powers between separate governing departments and instituted a measure of popular control over rulers.

By contrast, a representative government vested with the power to declare war, raise armies and tax and spend will be less likely to build large peacetime armies and initiate unpopular military ventures when they must ultimately appeal to the public for reelection. In order for an executive to utilize military force or employ coercion, the legislature must willingly raise troops and appropriate resources—an institutional design that hinges on citizens' limited readiness to sacrifice.

Guided by this new science of politics, the U.S. Constitution grants a single executive broad authority to command the armed forces, but with the understanding that Congress controls the resources necessary to initiate military actions. Congress possesses the unlimited authority to raise armies and the power to declare war, though individual legislators' willingness to mobilize the military depends largely on the popular appeal of their actions. In short, institutional structures work to ensure that the appropriation of defense resources reflect the immediate interests of the voters, who bear burdens traditionally associated with permanent armies and warfare.

The rise of a permanent military industry dramatically altered these dynamics. This dissertation has argued that, after World War II, the importance of the defense sector of the economy to key members of Congress, Department of Defense personnel and the defense industry created overlapping incentives to perpetuate and expand the U.S. military industry. At the same time, the proliferation of defense expenditures has coincided with policies that systematically reduce traditional public costs of military mobilization and warfare. As a result, the ongoing appropriation of defense resources and reduced public costs of war promote increasing executive independence in military affairs. Reciprocal interests in defense sector expansion concentrate resources and authority in the executive department, weakening the system of checks and balances.

The framers' reliance on institutional structures and competing interests failed to prevent power from concentrating in the executive branch. Moreover, the constructive use of institutions as a means to compartmentalize interests, structure competition and neutralize private vice has generated policies favoring the short-term,

mutual benefits of voters, office-holders and industry—regardless of the long-term consequences or the costs to non-voting entities. This evidence suggests a flaw in the modern reliance on institutional checks and competing interests as principal mechanisms for limiting power and promoting the public good.

Eighteenth Century War Powers: Public Costs of War & Patterns of Military Demobilization

Prior to World War II, military expenditures were construed as disadvantageous in peacetime. Congress regularly mobilized forces in preparation for war and quickly demobilized troops following major military engagements. While the U.S. has regularly engaged in armed conflicts, a military establishment was expensive and difficult to maintain. Despite intermittent efforts to expand U.S. armies and increase military procurements during the nineteenth and early twentieth century, Congress did not maintain large peacetime armies or a permanent military establishment until the mid-twentieth century. As Chapter 1 shows, systematic military draw-downs at the end of armed conflicts limited the president's ability to direct military operations without ongoing congressional cooperation.

In the late eighteenth century, the nascent republic inherited deficient procurement infrastructure, a tiny naval force, disorganized state militias and severe fiscal constraints, including limits on federal borrowing. As a result, early administrations and Congresses relied heavily on imported weapons procurements and called upon large volunteer contingents in preparation for war. Military mobilization also drained public revenue, requiring increased taxes and reductions in

domestic spending during wartime. Defense appropriations could not persist without broad public willingness to pay for it.

In the nineteenth and early twentieth century, the emergence of domestic markets for weapons procurements and the ability to print money and accrue debt made it easier for Congress to periodically increase military appropriations without provoking opposition from voters. At the same time, more flexible armies (facilitated by a new legislative strategy of decreasing regiments rather than eliminating entire units during periods of demobilization) the enhanced availability of defense resources allowed presidents to utilize available troops and equipment without obtaining congressional permission in advance.

In 1846, James Polk drew upon more expansible army contingents and demonstrated initial willingness to move existing forces in a manner that precipitated war, seeking legislative approval only after military hostilities appeared inevitable. In the early twentieth century, Presidents Roosevelt, Taft and Wilson took advantage of the modern naval resources procured during the period of industrialization and enhanced congressional interest in regional expansion, stationing forces abroad and issuing limited military engagements independently.

While executive authority over military actions increased episodically throughout early U.S. history, patterns of congressional demobilization consistently constrained the frequency, scope and duration of presidents' independent military actions prior to the Second World War. Despite temporary defense increases, a permanent military establishment was broadly understood to be unnecessarily costly and politically disadvantageous. As many prominent Federalists had anticipated,

congressional authority to raise armies and control military expenditures ensured that legislators were accountable to voters for their defense spending decisions. At the same time, presidents relied on Congress to raise troops and supply funds to go to war.

After World War II, the electoral incentives shaping members' defense spending decisions changed dramatically. The ascent of Nazi Germany during World War II, followed by the Soviet threat that gave rise to the Cold War, motivated Congress to create large standing armies and to fund an ongoing weapons arsenal. At the same time, the growth of a profitable military industry spurred economic productivity and generated various dependencies on the defense sector of the economy. These economic dependencies have created new legislative incentives to procure ongoing defense resources and resist major spending cuts independent of geopolitical factors or perceived security threats.

As chapters 2-4 argue, the rise of a permanent military industry during World War II created overlapping institutional incentives to maintain and perpetuate the defense sector of the economy, separate from policymakers' ideology or national security goals. Specifically, patterns of ongoing defense expenditures meet the profit-oriented goals of the defense industry, which overlap with the Defense Department services competing for limited resources and communities that rely on defense sector employment and revenue for economic growth. The members of Congress representing these constituencies work to ensure continued funding for weapons spending. These members' reelection strategies encourage them to protect their local economies by prioritizing defense interests and staving off program cuts. As I go on

to argue in Chapter 5, the proliferation of defense expenditures, in turn, contributes to the president's ability to direct military operations independently. Patterns of sustained defense build-up facilitate enhanced executive independence in military affairs, regardless of periodic legislative attempts to check the president's authority.

World War II Military Mobilization

The Great Depression of the 1930s and 1940s allowed for the first total military mobilization. Unemployment ravaged the nation, and people turned to the government for help. Unlike World War I, which the nation entered with a fully employed labor force, idle manpower and dormant industrial resources poised the nation for transformation to a full-scale military economy. To mobilize industry for large-scale military production, President Roosevelt prioritized continued deficit spending and greater government interventions in the economic sphere. Increased federal spending, subsidized wages and guaranteed cost-plus earnings ensured low-risk industry profits and helped to meet ambitious government procurement goals.

Reciprocal business-government relations also provided an economic stimulus across local, regional and even national constituencies. As economic risks shifted from business to government, unprecedented demand for military equipment led major aircraft industries to extend military production from large cities with preexisting infrastructure to less populous areas adjacent to the home plant. At the same time, government actors enjoyed considerable latitude in influencing the geographic dispersion of military production. In doing so, executive agencies heavily subsidized new plants throughout interior and Southern regions of the country—

locations that had formerly maintained more agricultural economies and lacked prior defense infrastructure.

Industry expansion to smaller suburbs and towns and government investments throughout the South and Southwest laid the foundation for economic development in areas that previously lacked extensive industrial activity. As Chapter 2 demonstrates, the influx of defense dollars had a disproportionate effect on growth in areas without a diverse industrial base. The flow of defense dollars had a greater impact on population growth in suburbs, towns and communities with World War II defense infrastructure than the large, diversified cities where the bulk of defense activity took place. Suburbs and towns with defense activity also grew at faster rates than other suburban areas of comparable size. In addition, the flow of federal funds contributed to the revitalization of formerly agricultural regions in the South and Southwest. While the South experienced a considerable population surge after World War II, from 1940 to 1950, Southern cities and towns with defense infrastructure grew at disproportionate rates compared to the average growth for the region.

Despite a brief retrenchment in 1945, the U.S. retained an immense military establishment by any historical standard (Higgs 2006, 30). Many locations retained defense infrastructure that had been established during the war, and U.S. troops kept up a strong overseas presence. As a result, President Truman was able to call upon existing forces and utilize remaining weaponry in order to independently engage troops in Korea—an unprecedented military action for an executive to pursue without permission from Congress. In the decades since President Truman called the Korean War a "police action," presidents have issued hundreds of military engagements

without first securing a formal congressional authorization. Congress has not issued a single declaration of war.

At the same time, in the decades from the Korean War through the George W. Bush administration, the military industry has generated geographically targeted profits throughout increasing regions and localities—regardless of the geopolitical climate or the size of the overall procurement budget. Further, modest increments of defense dollars have extended to areas with less developed economic infrastructure, including the formerly agrarian South and Southwest, more sparsely populated areas on the outskirts of large cities and most recently, Plains States, desert and mountain regions.

Policymakers have also worked to finance military mobilization and conduct wars in a way that makes it easier to sustain popular approval. The 1973 All-Volunteer Force, followed by increased reliance on military contractors, contribute to lower U.S. troop counts and fewer military casualties during major wars. Enhanced reliance on federal borrowing and deficit spending also circumvent the traditional need to raise taxes and adjust domestic spending priorities in order to fund troops and supply ongoing military procurements. Finally, the development of increasingly sophisticated technology makes it easier to fight wars far removed from U.S. soil, minimizing disruption to productivity and domestic life. These policies shift war costs onto political minorities and non-voting entities, including a small minority of active duty soldiers and volunteers, future generations of taxpayers and foreign nations where U.S. wars take place.

The ability to obviate or reduce public sacrifices in wartime undermines the system of checks and balances established that the Constitution's framers envisioned. Rather than imposing the sacrifices on political majorities with electoral power over governing officials, policymakers can promote initiatives that reduce the direct costs of warfare among major political constituencies. The broad extension of defense benefits and the externalization of costs make it easier for elected officials to maintain a permanent military establishment and to utilize force abroad without fear of electoral reprisal.

The extension of localized benefits and the reduction of public costs accelerated during the Cold War, persisted after the fall of the Soviet Union, and further intensified following the attacks of September 11, 2001. At the same time, defense dollars have increasingly extended to more economically reliant areas that lack a diverse industrial foundation. As Chapters 3-4 go on to demonstrate, establishing defense industries in more economically homogenous, rural areas generates and sustains economic dependencies, placing a political premium on continued defense industry presence in these areas.

"Everybody stays friends, everybody gets paid and everybody's got a…job."
-Detective Jimmy McNulty, The Wire

Although defense allocations are increasingly widespread, members of Congress do not typically support weapons expenditures based solely on the potential for constituency gain. Rather, members' incentives to press for various weapons systems vary based largely on the industrial composition of a district. Specifically,

more economically homogenous, rural constituencies experience greater dependence on the major defense firms in their district than more industrially diverse, urban areas with an equal defense presence. This dependence makes it difficult for key members of Congress to support defense cuts during periods of reduced threat or to cancel outmoded weapons programs when faced with new strategic requirements.

During the post-Cold War budget crunch, Presidents George H.W. Bush and Clinton urged Congress to roll back the defense budget and either cap or eliminate several high-cost Cold War weapons systems. As Secretary of Defense, Dick Cheney repeatedly urged Congress to eliminate several expensive Cold War weapons programs designed to fight the Soviets. However, Congress failed to terminate a single production line. In fact, the 1998 House Appropriations bill allocated an extra $78 million (in addition to $611 million included in the Senate bill) for the V-22 tilt-rotator helicopter—a program that Cheney had targeted for cancellation back in 1992, citing its low strategic priority, repeated crashes in test simulations, time delays and unaffordable cost run-ups. Despite a series of House resolutions proposing defense cuts introduced between FY1993-FY1998, the only bill that the House passed in a floor vote reduced the amount spent for maintaining bases overseas (HR2401, HRC 419, 9/9/93).

A decade later, a high-profile resolution to halt the production of the F-22 fighter jet came to a floor vote in the Senate with aggressive backing from Defense Secretary Robert Gates and newly elected President Barack Obama. Gates and Obama implored Congress to consider changing military needs and limited funds, given ongoing U.S. engagements in two major wars in separate global theaters. The

Democratic Senators representing California, Connecticut and Washington broke rank with their party and their president and voted against the measure, expressing support for the major defense interests in their states.[172] These senators represent the leading developers of the F-22, in addition to more dependent local constituencies, including Antelope Valley, Mountain View and Sunnyvale in California; Groton and New London in Connecticut; and Bremerton and Bangor in Washington.

Economic reliance helps explain why it is difficult for Congress to cut funding for military procurements when faced with severe fiscal constraints and reduced threat levels and why members continue to fund strategically questionable weapons programs opposed by leading Pentagon officials: Members of Congress support programs that are critical to the widely shared economic interests of their constituencies. Previous scholarship has missed these effects because prior studies do not sufficiently account for the economic importance of defense spending within particular constituencies.

Unlike previous studies, my theory of disproportionate economic reliance accounts for the enhanced importance of defense employment and revenue within more economically homogenous, rural areas. A defense industry presence within a more rural locality is more critical for economic growth than for a densely populated urban center with an equal number of defense facilities. In other words, it is not only the size of the defense sector in a district that influences congressional behavior, but the broader economic context into which defense dollars flow.

[172] These Senators include Barbara Boxer (D-CA), Diane Feinstein (D-CA), Christopher Dodd (D-CT), Maria Cantwell (D-WA) and Patty Murray (D-WA). Senator Joseph Lieberman, an Independent from Connecticut, also voted against the measure.

Systematic evidence suggests local economic dependence is a key factor leading members of Congress to support controversial weapons expenditures, stave off program cuts and prioritize defense interests, regardless of their partisanship or their ideology. Congressional incentives to sustain revenue and employment in more reliant areas encourage key members to support ongoing defense spending and resist targeted program cuts during periods of reduced threat and changing defense needs—regardless of whether top Pentagon officials prioritize these systems or consider them to be strategically necessary. These legislative incentives also encourage defense contractors to spread their operations across multiple districts to attract political support for weapons systems.

In recent decades, the role of economic reliance is particularly important in explaining Democratic members' voting behavior on defense measures, because they lack a partisan predisposition to support these policies. However, constituency reliance on the defense sector motivates members of both parties to support controversial weapons programs and resist proposed cuts to the procurement budget. Evidence suggests that economic goals in more dependent, rural areas influence congressional representation and perpetuate U.S. defense production independent of national security concerns.

Congressional interests in maintaining defense expenditures that are critical to local economic growth also influence the allocation of defense subcontracts. Holding the number of defense facilities constant, economic dependence in more rural areas encourages representation on defense committees and the quest for program benefits. At the same time, representation on defense committees and more rural geography

each draw subcontracts to a district at a rate disproportionate to the number of defense facilities in these areas. The allocation of defense subcontracts to more dependent, rural localities suggest that the defense industry gains politically by extending major assignments to more reliant districts, even while prime contract revenue remains concentrated.

Previous academic work has missed these effects for two key reasons. First, previous scholars have not considered a district's reliance on defense expenditures, as opposed to reliance on other types of government assistance or the potential gain that defense distributions may yield. Second, prior research has focused on the allocations of prime defense contracts, which are merely precursors to subsequent disseminations. Accounting for the economic composition of a district yields evidence suggesting that the relative concentration of defense facilities to other industries is a key factor influencing members' priorities. Taking defense subcontracts into account suggests that defense industry managers and contractors have incentives to extend major subcontract assignments to more economically vulnerable districts of heightened political value during critical dissemination stages.

The defense sector generates hundreds of billions of dollars per year and spans all fifty states and a preponderance of congressional districts. The industry contributes to local and regional economic growth as well as national economic output and gross domestic product. The scale and scope of the defense sector indicates a pervasive dependence on this market, which in turn shapes congressional priorities. While members do not directly influence the contracting process, the defense industry plays a critical role in allocating subcontracts for major parts and accessories of contracted

weapons platforms. The prevalent use of private negotiations between contractors, defense bureaucrats and defense industry management allows contractors to distribute assignments with the goal of maximizing the chances for program funding.

The results of the analysis in Chapters 3 & 4 suggest that defense contracting has resulted in a symbiotic relationship among key policymakers. Spreading defense benefits across multiple districts increases political demand for weapons systems among Congress members and sustains rural economies that rely on the defense industry for employment and revenue. Defense subcontracting helps meet districts' economic needs, which in turn generates greater political demand for weapons systems. These overlapping interests encourage defense expenditures in excess of strategic requirements.

Overlapping Incentives and Concentrated Authority

In 1956, C. Wright Mills (1956, 266) remarked on an emerging military ascendancy and corresponding rise in executive authority following World War II. He warned that symbiotic relations between military brass, corporations and the political elite erode the founding principles of separated powers and balance of independent interests.

This dissertation has presented evidence suggesting that overlapping institutional interests in defense sector expansion not only work to perpetuate military expenditures, but also weaken the system of checks and balances in military affairs. While the hierarchical structure of the executive branch encourages presidents to initiate military policy, the administration's *capacity* to do so effectively is largely

predicated upon levels of available resources and institutional mechanisms to direct national security policy.

Evidence presented in Chapter 5 demonstrates that, since President Truman's first major unapproved war in 1950, Congress has provided hundreds of billions of dollars in annual expenditures to build and maintain a national weapons arsenal. As a consequence, presidents no longer rely on emergency funds to mobilize an army. The practical need to consult Congress for start-up funds has been obsolete since World War II, in large part because congressional budgetary authorizations continue to provide ongoing military resources. Presidents, in turn, have structured institutions so as to leverage congressionally appropriated resources at their own discretion. Post-war presidents have devised mechanisms for covert operations, structured executive organizations to carry out their foreign policy decisions, and pursued strategies that both exacerbate informational asymmetries and minimize congressional oversight capabilities.

Presidents structure the national security establishment to insulate their authority over military affairs and control the available military technology that Congress appropriates. However, rather than acting as a check on power, Congress' more democratic structure encourages individual members to appeal to local constituents and partisan allies—typically by deferring to executive national security goals. After World War II, Congress faced a high-stakes national security environment, executive monopoly on national security information and increasing executive control over ongoing defense resources and military technology. These factors compound the veto points, collective action problems and electoral incentives

that impede programmatic policymaking in Congress. The rise of a national security establishment has created a new incentive structure, generally encouraging members of Congress to cede to the executive on national security questions rather than challenging presidential prerogative or determining security policy collectively.

Although Congress does periodically challenge executive military actions during periods of divided government or when a war becomes unpopular, the legislature almost never takes the initiative to prevent an administration from carrying out its agenda in the first place. A majority in Congress that opposes the president's party may increase the political costs of the president's military actions with enhanced oversight and negative publicity. Nonetheless, presidents can anticipate that Congress will continue to procure funds for military operations once troops are engaged in battle. Congress' sustained military build-up and delegation of power to executive agencies counteracts members' willingness and ability to prevent independent military actions altogether.

Patterns of congressional deference to executive authority over national security affairs coincide with the efforts of key members to perpetuate military appropriations. Despite episodes of heightened oversight activity and statutory reform, these institutional incentives prevent Congress from mounting an effective defense against presidential encroachment. Instead, patterns of ongoing defense expenditures facilitate an enhanced executive prerogative in military affairs. Legislative incentives to perpetuate defense resources inadvertently promote greater executive independence over national security policy.

Concentrated Power & Externalized Costs

Until the mid-twentieth century, military spending was understood to be disadvantageous in peacetime. Congress mobilized forces in preparation for war and sharply cut military spending at the end of the conflict. Large numbers of Americans were asked to sacrifice in wartime by joining the armed services or carrying a heavier tax burden. Traditional antipathy to standing armies, higher taxes, lost productivity and military service requirements made it difficult for locally elected politicians to promote unpopular wars or accumulate military resources during peacetime. Rather, as leading Federalists had argued in support of ratification, the public costs associated with large peacetime armies, legislative control over resources and the structure of congressional representation facilitated important political constraints on military appropriations and independent executive actions. Patterns of demobilization required that presidents seek congressional cooperation in order to successfully prosecute military operations, constraining executive ability to employ military force independently.

This dissertation provides evidence that the rise of a permanent military industry created a new context and a new incentive structure. Since World War II, a broad dispersion of defense dollars across regions and localities has generated widespread local dependencies on the defense sector of the economy. Local economic dependence encourages members of Congress to join defense committees, support ongoing defense spending and resist program cuts, while contractors and defense bureaucracies allocate defense subcontracts to economically vulnerable districts. The extension of defense dollars to more economically dependent constituencies has also

coincided with a series of policies that decrease public burdens traditionally associated with military mobilization and warfare, reducing electoral opposition to these costs.

Coinciding interests in economic sustainability, job security, electoral strategies and profit margins encourage policymakers to extend defense expenditures independent of their ideology or national security goals. Consequently, ongoing weapons expenditures concentrate resources and authority in the executive branch, enhancing the president's ability to direct military actions without consulting Congress. At the same time, policies that have systematically reduced the direct public costs of war make it easier for presidents to utilize force abroad and initiate major wars, regardless of the long-term costs of these initiatives.

Taken cumulatively, these findings suggest that the constitutional framers' reliance on institutional mechanisms and competing interests as a means to minimize warfare and disperse power ultimately fell short of their professed aims. The constructive use of popular and institutional checks failed to prevent resources and authority from concentrating in the executive department. An institutional structure premised on competing interests has generated a system geared toward policies that maximize short-term benefits of office-holders, voters, and defense industries, while externalizing costs on future taxpayers and foreign populations. Institutional checks and competing interests do not guarantee limited power or assure the promotion of substantive political ends.

Appendix 2.1. Locations of U.S. Military Aircraft Conversion, 1940, 1944, 1950

Year	Contractor	City/Place	State	Plant type/usage	Subsidiary	Notes
1940	Lockheed Aircraft	Burbank	California	High growth		small commercial transport, adaptable as reconnaissance bomber
1940	Vultee	Downey	California	High growth		attack bombers, advanced training planes and interceptors for Army
1940	Douglas	El Segundo	California			multi-plant co.
1940	Kinner Motors, Inc.	Glendale	California			engines
1940	Northrop Aircraft	Hawthorne	California			light airplane co
1940	North American Aviation	Inglewood	California			training planes, medium bombers
1940	American Aircraft	Long Beach	California			
1940	Menasco Manufacturing Co.	Los Angeles	California			engines
1940	Consolidated Aircraft	San Diego	California			large planes, twin-engine long range patrol-bomber (Navy), 4-engine heavy bomber (Army)
1940	Ryan Aeronautical	San Diego	California			light airplane co
1940	Douglas	Santa Monica	California	major; high growth		11,500 workers
1940	United Aircraft Corp.	Bridgeport	Connecticut	subsidiary	Sikorsky Manufacturing	engines
1940	United Aircraft Corp.	East Hartford	Connecticut	subsidiary	Chance Vought	engines
1940	United Aircraft Corp.	East Hartford	Connecticut	subsidiary	Hamilton Standard Propellers	engines
1940	United Aircraft Corp.	East Hartford	Connecticut	subsidiary	Pratt & Whitney	engines
1940	United Aircraft Corp.	Hartford	Connecticut	major producers, >11,100 employees		passenger flying boats, attack bombers

1940	Bellanca Aircraft	New Castle	Delaware			light airplane co
1940	Howard Aircraft	Chicago	Illinois			light airplane co
1940	Rearwin Aircraft & Engines	Kansas City	Kansas			light airplane co
1940	Rearwin Aircraft & Engines Inc.	Kansas City	Kansas			engines
1940	Beech Aircraft	Wichita	Kansas			light airplane co
1940	Boeing Co.	Wichita	Kansas	subsidiary	Stearman Aircraft	two heavily demanded bomber models (Army, Navy)
1940	Martin Co.	Baltimore	Maryland	major producers, >11,100 employees		
1940	Fairchild Engine & Airplane Corp.	Hagerstown	Maryland			Army trainers
1940	Engineering & Research Corp.	Riverdale	Maryland			light airplane co
1940	Continental Motors	Muskegon	Michigan			engines
1940	Stinson Aircraft	Wayne	Michigan			private flying
1940	Warner Aircraft Corp.	Detroit	Michigan			engines
1940	Porterfield Aircraft	Kansas City	Missouri			light airplane co
1940	Curtiss-Wright	Robertson	Missouri	major producer, >14,100 employees	Curtiss Wright Airplane Division	
1940	Monocoupe Aeroplane & Engines Inc.	Robertson	Missouri			light airplane co
1940	Arrow Aircraft Corp.	Lincoln	Nebraska			
1940	Curtiss-Wright	Clifton	New Jersey		Curtiss Propeller Division	
1940	Curtiss-Wright	Paterson	New Jersey		Wright Aeronautical Corp.	engines
1940	Luscombe Airplane Corp.	West Trenton	New Jersey			light airplane co
1940	Grumman Aircraft	Bethpage	New York			Navy, Coast Guard

1940	Bell Aircraft	Buffalo	New York		fighters
1940	Curtiss-Wright	Buffalo	New York	Curtiss Aero Division	business entirely military
1940	Fairchild Engine	Farmingdale	New York	Ranger Engineering Corp.	engines
1940	Republic Aviation Corp.	Farmingdale	New York		Army, export
1940	Akron Aircraft Co.	Akron	Ohio		
1940	Taylorcraft Aviation Corp.	Alliance	Ohio		light airplane co
1940	Aeronautical Corp. of America	Middletown	Ohio		light airplane co
1940	Aeronautical Corp. of America	Cincinnati	Ohio		
1940	Fleetwings, Inc.	Bristol	Pennsylvania		light airplane co
1940	Piper Aircraft Corp.	Lock Haven	Pennsylvania		light airplane co
1940	Jacobs Aircraft Engine	Pottstown	Pennsylvania		engines
1940	Lycoming Aviation Motors	Williamsport	Pennsylvania		engines
1940	Boeing Aircraft	Seattle	Washington		
1944	Lockheed Aircraft Corp.	Bakersfield	California		
1944	Lockheed Aircraft Corp.	Burbank	California		largest plant; 90,000 employees
1944	Lockheed Aircraft Corp.	Burbank	California		second Burbank plant
1944	Lockheed Aircraft Corp.	Fresno	California		
1944	Douglas	Long Beach	California		
1944	Lockheed Aircraft Corp.	Los Angeles	California		250 Lockheed buildings in Los Angeles area

1944	Lockheed Aircraft Corp.	Maywood	California			
1944	Consolidated-Vultee	San Bernadino	California			
1944	Consolidated-Vultee	San Diego	California			expansion
1944	Consolidated-Vultee	Santa Ana	California			
1944	Lockheed Aircraft Corp.	Santa Barbara	California			
1944	Douglas	Santa Monica	California			
1944	Lockheed Aircraft Corp.	Van Nuys	California			
1944	United Aircraft Corp.	Buckland	Connecticut	business unit	Pratt & Whitney	
1944	United Aircraft Corp.	East Hartford	Connecticut	business unit	Pratt & Whitney	major engine producer
1944	United Aircraft Corp.	Hartford	Connecticut	business unit	Hamilton Standard Propellers	
1944	United Aircraft Corp.	Norwich	Connecticut	business unit	Hamilton Standard Propellers	
1944	United Aircraft Corp.	Pawcatuck	Connecticut	business unit	Hamilton Standard Propellers	
1944	United Aircraft Corp.	Southington	Connecticut	business unit	Pratt & Whitney	
1944	United Aircraft Corp.	Willimantic	Connecticut	business unit	Pratt & Whitney	
1944	Howard Aircraft	Chicago	Illinois			
1944	Howard Aircraft	St Charles	Illinois			
1944	Cessna Aircraft	Hutchinson	Kansas			
1944	Cessna Aircraft	Wichita	Kansas			
1944	Martin	Baltimore	Maryland			expansion
1944	United Aircraft Corp.	East Longmeadow	Massachusetts	business unit	Pratt & Whitney	
1944	Consolidated Vultee	Grand Rapids	Michigan	subsidiary	Stinson Aircraft	
1944	Consolidated Vultee	Wayne	Michigan	subsidiary	Stinson Aircraft	
1944	Curtiss-Wright	St. Louis	Missouri	branch plant	Curtiss Airplane Division	
1944	Curtiss-Wright	Caldwell	New Jersey	business unit	Curtiss Propeller Division	

1944	Curtiss-Wright	Clifton	New Jersey	business unit	Curtiss Propeller Division	
1944	Curtiss-Wright	Paterson	New Jersey	business unit	Wright Aeronautical Corp	expansion; major engine producer
1944	Curtiss-Wright	Wood Ridge	New Jersey	business unit	Wright Aeronautical Corp	
1944	Schwiezer Aircraft Corp	Astoria	New York			glider production
1944	Grumman Aircraft Engineering	Babylon	New York			
1944	Grumman Aircraft Engineering	Bethpage	New York			expansion
1944	Bell Aircraft	Buffalo	New York			
1944	Curtiss-Wright	Buffalo	New York			
1944	Curtiss-Wright	Buffalo Municipal Airport	New York			second Buffalo plant
1944	Fairchild Engine	Farmingdale	New York		Ranger Engineering Corp.	engines
1944	Republic Aviation Corp.	Farmingdale	New York			Army, export
1944	Grumman Aircraft Engineering	Lindenhurst	New York			
1944	Brewster Aeronautical	Long Island City	New York			
1944	Bell Aircraft	Niagara Falls	New York	branch plant		
1944	Grumman Aircraft Engineering	Port Washington	New York			
1944	Grumman Aircraft Engineering	Syosset	New York			
1944	Fairchild	Burlington	North Carolina	branch plant		
1944	Brewster Aeronautical	Johnsville	Pennsylvania			adjacent airfield outside metro area
1944	Boeing Co.	Aberdeen	Washington			

1944	Boeing Co.	Bellingham	Washington			
1944	Boeing Co.	Chehalis	Washington			
1944	Boeing Co.	Everett	Washington			
1944	Boeing Co.	Hoquiam	Washington			
1944	Boeing Aircraft	Renton	Washington			adjacent airfield
1944	Boeing Aircraft	Seattle	Washington			
1944	Boeing Co.	Seattle	Washington			bombers
1944	Boeing Co.	South Tacoma	Washington			
1944	Boeing Co.	Tacoma	Washington			
1950	Lockheed Aircraft Co.	Burbank	California			absorbed Vega
1950	North American Aviation	Downey	California			
1950	Douglas Aircraft co.	El Segundo	California			
1950	Northrop Aircraft Inc.	Hawthorne	California			relative growth
1950	[new aircraft co.]	Hemet	California			
1950	North American	Inglewood	California			
1950	Douglas Aircraft co.	Long Beach	California			
1950	North American	Long Beach	California			
1950	[new aircraft co.]	Los Angeles	California			occupied portion of former North American plant
1950	Consolidated Vultee	San Diego	California			absorbed Vultee
1950	Douglas Aircraft co.	Santa Monica	California			
1950	United Aircraft Corp.	Bridgeport	Connecticut	subsidiary	Sikosky Aircraft	military helicopters
1950	[new aircraft co.]	Danbury	Connecticut			
1950	[new aircraft co.]	Deep River	Connecticut			
1950	United Aircraft Corp.	East Hartford	Connecticut	business unit	Hamilton Standard Propeller Division	propellers
1950	United Aircraft Corp.	East Hartford	Connecticut		Pratt & Whitney	engines
1950	United Aircraft Corp.	Southington	Connecticut	re-utilization for subassemblies	Pratt & Whitney	
1950	Lycoming Division	Stratford	Connecticut	utilized idle facilities	AVCO	manufactured Wright engine
1950	[new aircraft co.]	Wilmington	Delaware			
1950	[new aircraft co.]	DeLand	Florida			

1950	[new aircraft co.]	Melbourne	Florida			
1950	Lockheed	Atlanta	Georgia	re-utilization		
1950	Howard Aircraft Corp	Chicago	Illinois			
1950	Howard Aircraft Corp	St. Charles	Illinois			
1950	Republic Aviation	Evansville	Indiana	re-utilization		
1950	[new aircraft co.]	Coffeeville	Kansas			new site
1950	Boeing	Wichita	Kansas			Defense Plant site
1950	Martin	Baltimore	Maryland			
1950	Fairchild Engine & Aircraft	Hagerstown	Maryland			
1950	General Electric	Lynn West	Massachusetts	business unit		Aircraft Gas Turbine Division
1950	General Electric	Lynn West	Massachusetts			engines
1950	McDonnell Aircraft	St Louis	Missouri	reutilization		relative growth
1950	St. Louis Aircraft	St. Louis	Missouri			
1950	Curtiss-Wright	Caldwell	New Jersey	business unit	Curtiss Propeller Division	closed Clifton plant
1950	Kellett Aircraft	Camden	New Jersey			Philadelphia -> North Wales PA -> Camden NJ
1950	Chase Aircraft Co. Inc	West Trenton	New Jersey			
1950	Curtiss-Wright	Wood Ridge	New Jersey		Wright Aeronautical	shut down Paterson building
1950	Grumman Aircraft	Bethpage	New York			
1950	[new glider building]	Elmira	New York			new site
1950	Fairchild Engine	Farmingdale	New York	business unit	Ranger Engines Division	
1950	Brewster Aeronautical	Long Island City	New York			relative decline
1950	[new aircraft co.]	New York	New York			>6 new companies
1950	[new aircraft co.]	Rochester	New York			
1950	Republican Aviation	Farmingdale	New York			
1950	Bell Aircraft	Niagara Falls	New York			military helicopters
1950	Goodyear Aircraft Division	Akron	Ohio			

1950	Curtiss-Wright	Columbus	Ohio	reutilization	Curtiss Airplane Division	
1950	General Motors	Dayton	Ohio	business unit		Aeroproducts, Division, propellers
1950	Douglas	Tulsa	Oklahoma	re-utilization		
1950	Fleetwings Inc	Bristol	Pennsylvania			
1950	Brewster Aeronautical	Johnsville	Pennsylvania			relative decline
1950	Piasecki Helicopter	Morton/ Ridley Park	Pennsylvania			military helicopters
1950	Westinghouse Electric	Philadelphia	Pennsylvania	business unit	Aviation Gas Turbine	engines
1950	Westinghouse Electric	Philadelphia	Pennsylvania	business unit		Aviation Gas Turbine Division
1950	McDonnell Aircraft	Memphis	Tennessee			relative growth
1950	Texas Engineering & Manufacturing	Dallas	Texas			1,200 employees
1950	United Aircraft Corp.	Dallas	Texas	reutilization	Chance Vought	occupied former North American plant at Grand Prairie
1950	Consolidated Vultee	Fort Worth	Texas	reutilization		absorbed Vultee
1950	[new aircraft co.]	Houston	Texas			
1950	[new aircraft co.]	Tyler	Texas			
1950	[new aircraft co.]	Longview	Washington			
1950	Boeing	Renton	Washington			
1950	Boeing	Seattle	Washington			
1950	[new aircraft co.]	Afton	Wyoming			new site

Appendix 2.2. Locations of U.S. Auto Conversion, 1944, 1950

Year	Contractor	City/Place	State	Plant type/usage	Subsidiary	Notes
1944	Pratt, Read & Co	Deep River	Connecticut	piano co		glider production
1944	General Motors (Dodge Division)	Chicago	Illinois	auto - new construction	Studebaker Corp	
1944	Buick	Chicago	Illinois	auto - new construction		
1944	Dodge	Chicago	Illinois	auto - new construction		
1944	Interstate	De Kalb	Illinois	branch plant		
1944	Ford Motor Co.	Detroit	Indiana	auto		licensed by Pratt & Whitney
1944	General Motors (Dodge Division)	Fort Wayne	Indiana	auto - new construction	Studebaker Corp	
1944	Globe Aircraft Corp	Fort Wayne	Indiana	auto - new construction		Beech advanced trainers
1944	Chevrolet	Indianapolis	Indiana	auto - converted		smaller unit
1944	General Motors (Allison Engineering)	Indianapolis	Indiana	auto	Allison Division	Engines
1944	Chevrolet	Muncie	Indiana	auto - converted		smaller unit
1944	General Motors (Dodge Division)	South Bend	Indiana	auto - new construction	Studebaker Corp	licensed by Wright Aeronautical
1944	Packard	Toledo	Kansas	auto - new construction		
1944	Higgins Aircraft	New Orleans	Louisiana	auto - new construction		shipbuilding co licensed to produce Curtiss transport; adjacent airfield
1944	Eastern Aircraft Corp.	Baltimore	Maryland	auto		subassemblies
1944	General Electric	Lynn West	Massachusetts	auto		manufactured by GE, Allison, Chevrolet
1944	Chevrolet	Saginaw	Michigan	auto - converted		smaller unit

1944	Ford	Dearborn	Michigan	auto - new construction		
1944	Continental Motors	Detroit	Michigan	auto		
1944	Chevrolet	Detroit	Michigan	auto - converted		smaller unit
1944	Nash-Kelvinator	Detroit	Michigan	auto		
1944	Packard Motor	Detroit	Michigan	auto		licensed by Rolls-Royce aircraft engine
1944	Buick	Flint	Michigan	auto		licensed by Pratt & Whitney
1944	Chevrolet	Flint	Michigan	auto - converted		smaller unit
1944	Nash-Kelvinator	Grand Rapids	Michigan	auto		
1944	Gibson Refrigerator Co.	Greenville	Michigan			glider production
1944	Ford Motor Co.	Iron Mountain	Michigan	subsidiary	Firestone Tires	glider production
1944	Nash-Kelvinator	Lansing	Michigan	auto - converted		smaller unit
1944	Brunswick-Balke-Collender Co.	Muskegon	Michigan	auto		billiard manufacturer licensed by Naval Aircraft Factory to produce target plane
1944	Continental Motors	Muskegon	Michigan	auto		
1944	Continental Motors	Muskegon	Michigan	auto - new construction		
1944	Ford	Ypsilanti	Michigan	auto - new construction		adjacent airfield outside metro area
1944	Ford Motor Co.	St. Paul	Minnesota	auto - converted		smaller unit
1944	General Motors	Linden	New Jersey	auto	Eastern Aircraft Corp.	licensed by Grumman; adjacent airfield
1944	General Motors	Trenton	New Jersey	auto	Eastern Aircraft Corp.	licensed by Grumman; adjacent airfield
1944	Remington-Rand	Johnson City	New York	auto - new construction		
1944	General Motors	North Tarrytown	New York	auto	Eastern Aircraft Corp.	subassemblies

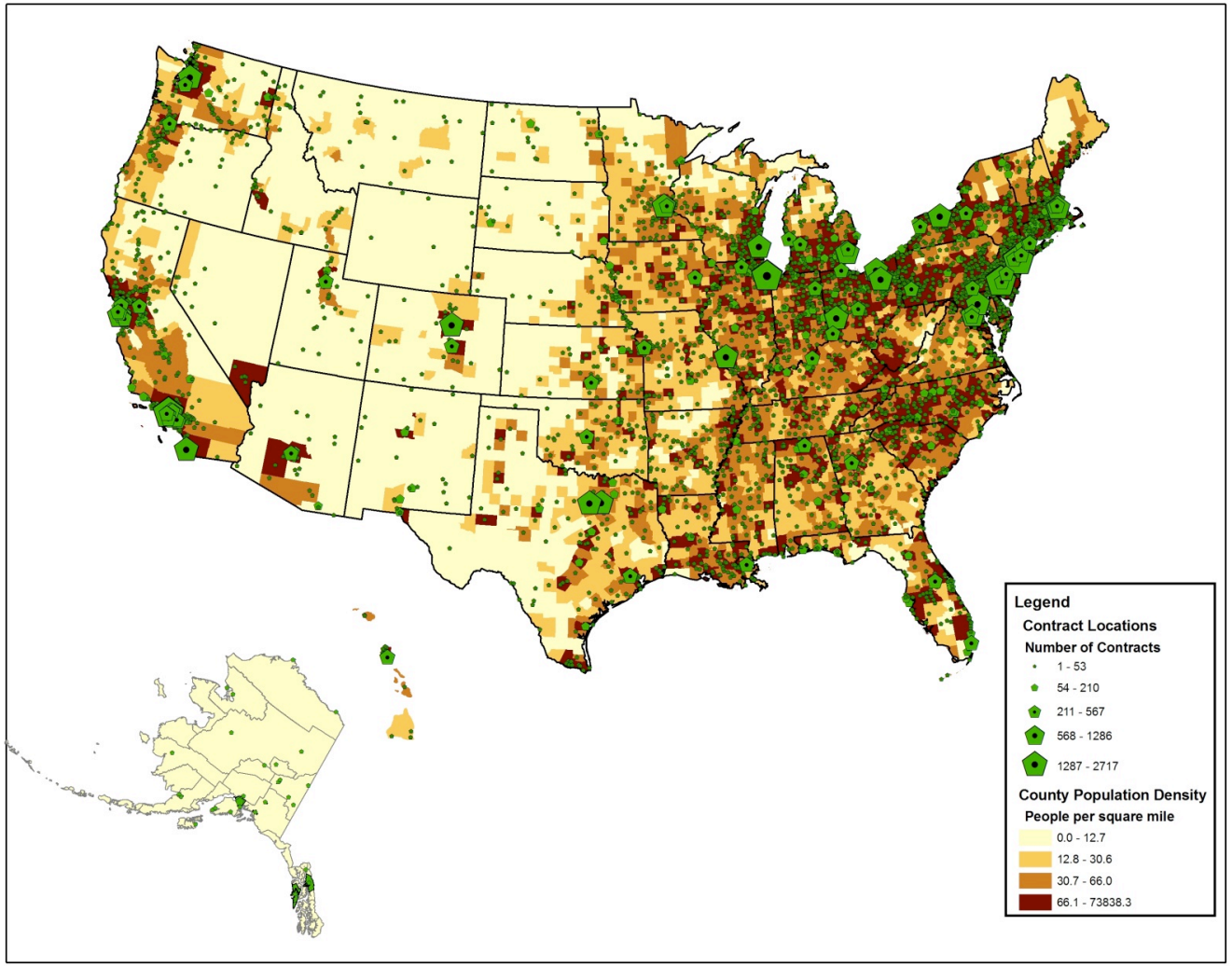
1944	Chevrolet	Tonawanda	New York	auto - new construction	
1944	Columbia Aircraft Corp	Valley Stream	New York	auto - new company	Grumman light transports
1944	Chevy	Buffalo	New York	auto	licensed by Pratt & Whitney
1944	General Electric	Syracuse	New York	auto	manufactured by GE, Allison, Chevrolet
1944	Chevy	Tonawanda	New York	auto	licensed by Pratt & Whitney
1944	Goodyear Aircraft	Akron	Ohio	auto	licensed by Chance Vought
1944	Ford Motor Co.	Brooklyn	Ohio	auto - converted	smaller unit
1944	Fisher Body Division	Cleveland	Ohio	auto - new construction	1950 Defense Plant site
1944	Ford Motor Co.	Hamilton	Ohio	auto - converted	smaller unit
1944	Ford Motor Co.	Milford	Ohio	auto - converted	smaller unit
1944	Ford Motor Co.	Troy	Ohio	auto - converted	smaller unit
1944	Budd	Philadelphia	Pennsylvania	auto - new construction	adjacent airfield outside metro area
1944	Ford Motor Co.	Memphis	Tennessee	auto - converted	smaller unit
1944	Nash-Kelvinator	Kenosha	Wisconsin	auto	
1944	Nash	Milwaukee	Wisconsin	auto - converted	smaller unit
1950	Ford	Chicago	Illinois	utilized idle facilities	occupied Dodge plant
1950	General Motors	Kansas City	Kansas	utilized idle facilities	
1950	Chrysler	Detriot	Michigan	utilized idle facilities	extensive subcontracting
1950	Ford	Detriot	Michigan	utilized idle facilities	extensive subcontracting
1950	Packard	Detriot	Michigan	utilized idle facilities	extensive subcontracting
1950	Buick	Flint	Michigan	utilized idle facilities	
1950	Chevrolet	Tonawanda	New York	utilized idle facilities	
1950	Nash	Kenosha	Wisconsin	utilized idle facilities	

Appendix 2.3. Locations of Government-Owned, Company-Operated Facilities, 1944, 1950

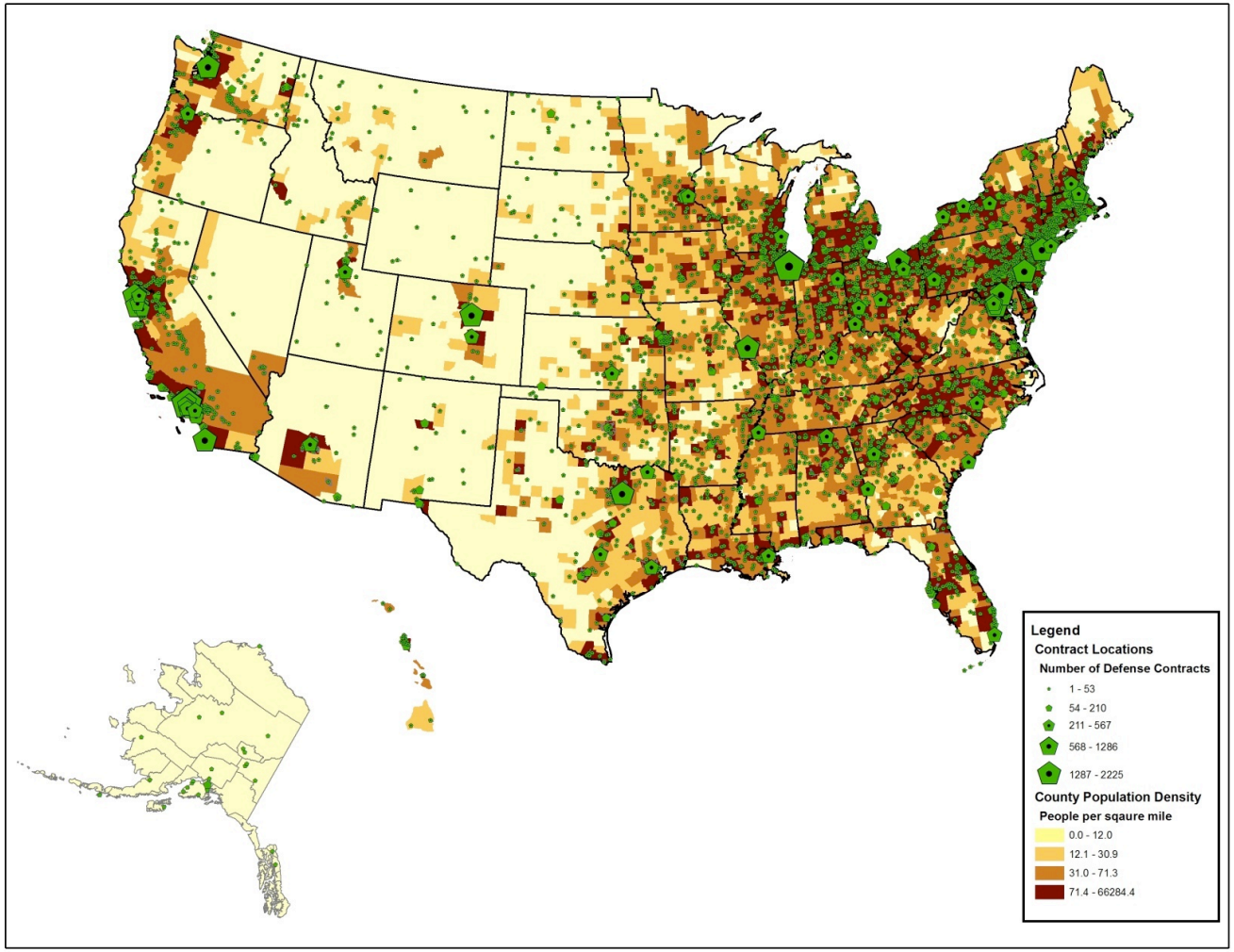
Year	Contractor	City/Place	State	Plant type/usage	Notes
1944	[unknown]	Birmingham	Alabama	modification center - govt-owned company operated	converted factory
1944	Goodyear Aircraft	Phoenix	Arizona	modification center	
1944	Consolidated	Tucson	Arizona	modification center - govt-owned company operated	
1944	Douglas	Daggett	California	modification center	adjacent airfield
1944	Bell Aircraft	Marietta	Georgia	branch plant; govt-owned company operated	
1944	Douglas	Chicago	Illinois	branch plant; govt-owned company operated	Bomber assembly plant
1944	Republic Aviation	Evansville	Indiana	branch plant - Defense Zone site	
1944	Curtiss-Wright	Indianapolis	Indiana	branch plant; govt-owned company operated	Curtiss Propeller Division
1944	North American	Kansas City	Kansas	branch plant; govt-owned company operated	Bomber assembly plant
1944	Aviation Gas Turbine	Toledo	Kansas	branch plant; govt-owned company operated	American Propeller Association
1944	Curtiss-Wright	Louisville	Kentucky	modifciation center; govt-owned company operated	Curtiss Airplane Division
1944	Consolidated	Lousville	Kentucky	branch plant; govt-owned company operated	
1944	Consolidated	New Orleans	Louisiana	branch plant; govt-owned company operated	Bomber assembly plant
1944	United Aircraft Corp.	Kansas City	Missouri	branch plant - Defense Zone site	Pratt & Whitney
1944	Martin	Fort Crook	Nebraska	branch plant; govt-owned company operated	
1944	Martin	Omaha	Nebraska	branch plant; govt-owned company operated	Bomber assembly plant

1944	Bell Aircraft	Niagara Falls	New York	branch plant; govt-owned company operated	
1944	Consolidated	Elizabeth City	North Carolina	modification center	
1944	Curtiss-Wright	Columbus	Ohio	branch plant - Defense Zone site	Curtiss Airplane Division
1944	Curtiss-Wright	Lockland	Ohio	branch plant - Defense Zone site	Wright Aeronautical Corp
1944	Douglas	Oklahoma City	Oklahoma	branch plant; govt-owned company operated	Bomber assembly plant
1944	Douglas	Tulsa	Oklahoma	branch plant; govt-owned company operated	Bomber assembly plant
1944	Consolidated	Allentown	Pennsylvania	branch plant; govt-owned company operated	Bomber assembly plant
1944	Curtiss-Wright	Beaver	Pennsylvania	branch plant - Defense Zone site	Curtiss Propeller Division
1944	McDonnell	Memphis	Tennessee	branch plant - Defense Zone site	
1944	Stinson Aircraft	Nashville	Tennessee	branch plant - Defense Zone site	
1944	North American	Dallas	Texas	munipally owned & leased to War Dept.	located adjacent to Hensley field
1944	Lockheed	Dallas	Texas	modification center	
1944	Consolidated	Fort Worth	Texas	branch plant; govt-owned company operated	Bomber assembly plant
1944	North American	Hensley Field/ Grand Prairie	Texas	branch plant; govt-owned company operated	Bomber assembly plant
1944	North American	Waco	Texas	leased	
1944	[unknown]	Cheyenne	Wyoming	modification center - govt-owned company operated	converted factory
1950	Chase Aircraft Co.	Birmingham	Alabama	leased	
1950	[new aircraft co.]	Douglas	Arizona		
1950	Goodyear	Phoenix	Arizona	re-utilization	
1950	War Department	Atlanta	Georgia	Retained by Army-Airforce	
1950	General Motors	Indianapolis	Indiana	govt-owned company-operated	Aeroproducts Division; Defense Plant site

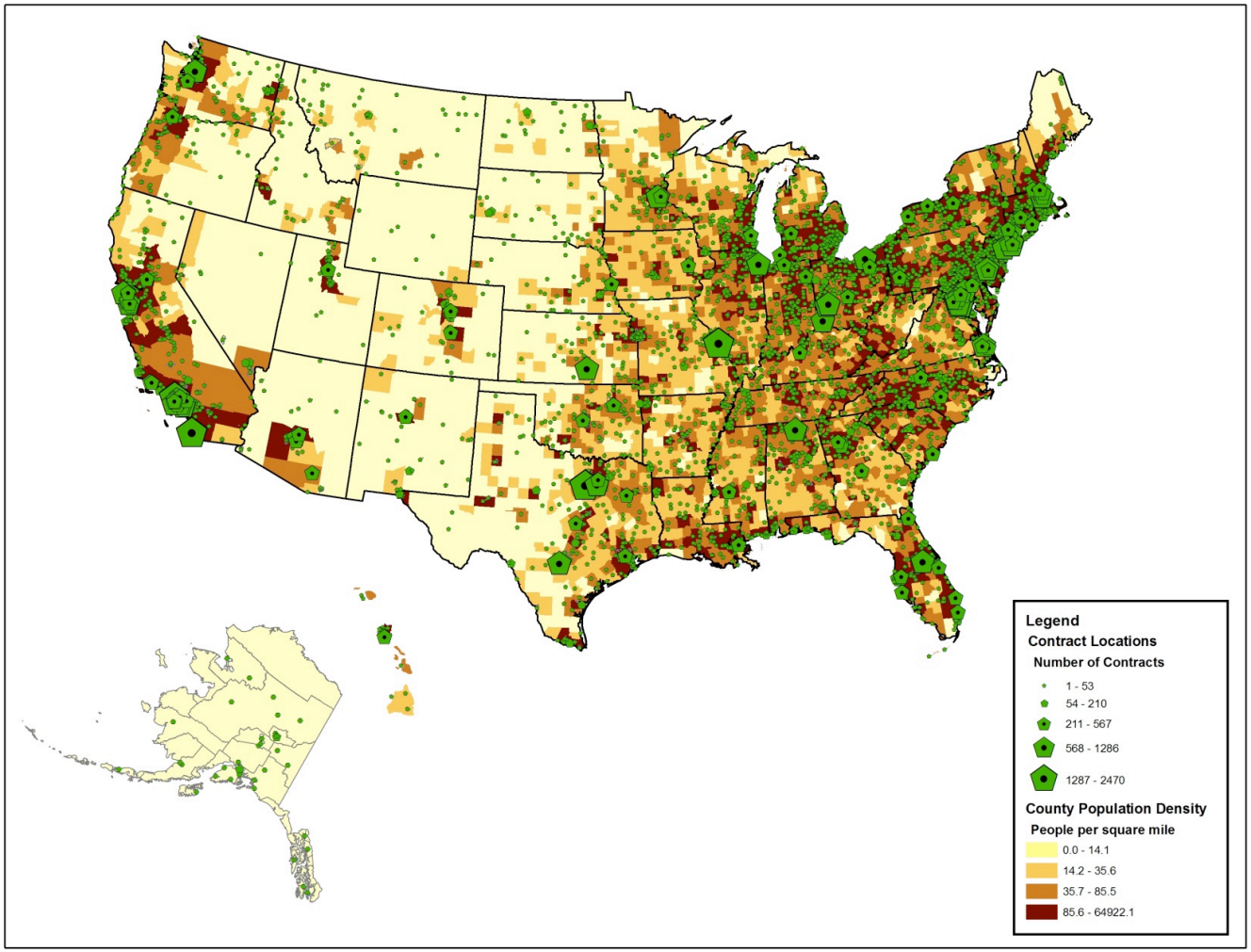
1950	Defense Plant Corp	Indianapolis	Indiana	govt-owned company-operated	
1950	General Motors	Indianapolis	Indiana	govt-owned company-operated	Engines
1950	Defense Plant Corp	South Bend	Indiana	govt-owned company-operated	
1950	General Motors (Dodge Division)	South Bend	Indiana	govt-owned company-operated	produced GE jet; Defense Plant site
1950	War Department	Kansas City	Kansas	Retained by Army-Airforce	
1950	Defense Plant Corp	Wichita	Kansas	govt-owned company-operated	
1950	Navy Bureau of Aeronautics	Kansas City	Kansas	govt investment	stand-by plant
1950	Navy Bureau of Aeronautics	Louisville	Kentucky	govt investment	stand-by plant
1950	Navy Bureau of Aeronautics	St Louis	Missouri	govt investment	stand-by plant
1950	War Department	Omaha	Nebraska	Retained by Army-Airforce	
1950	Defense Plant Corp	Buffalo	New York	govt-owned company-operated	
1950	General Electric	Cincinnati	Ohio	govt leased portion of plant	former Wright Aero plant; Aircraft Gas Turbine Division; Defense Plant site
1950	Defense Plant Corp	Cleveland	Ohio	govt-owned company-operated	
1950	Navy Bureau of Aeronautics		Ohio	govt investment	stand-by plant
1950	War Department	Oklahoma City	Oklahoma	Retained by Army-Airforce	
1950	War Department	Tulsa	Oklahoma	Retained by Army-Airforce	
1950	Bell	Fort Worth	Texas	leased Global Aircraft plant	
1950	War Department	Fort Worth	Texas	Retained by Army-Airforce	
1950	Navy Bureau of Aeronautics	Dallas	Texas	govt investment	stand-by plant



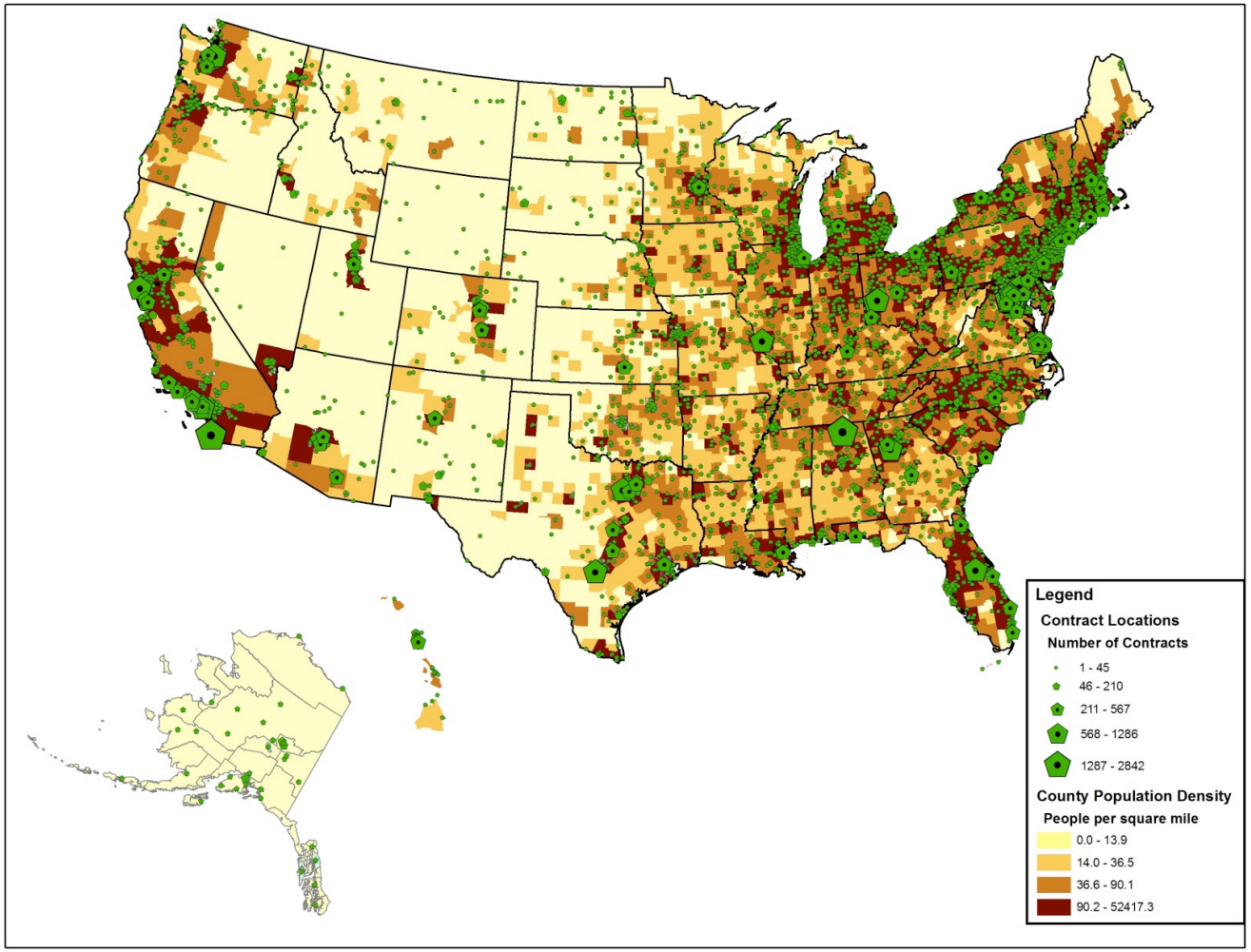
Appendix 2.4 – Allocation of FY1966 Defense Contracts



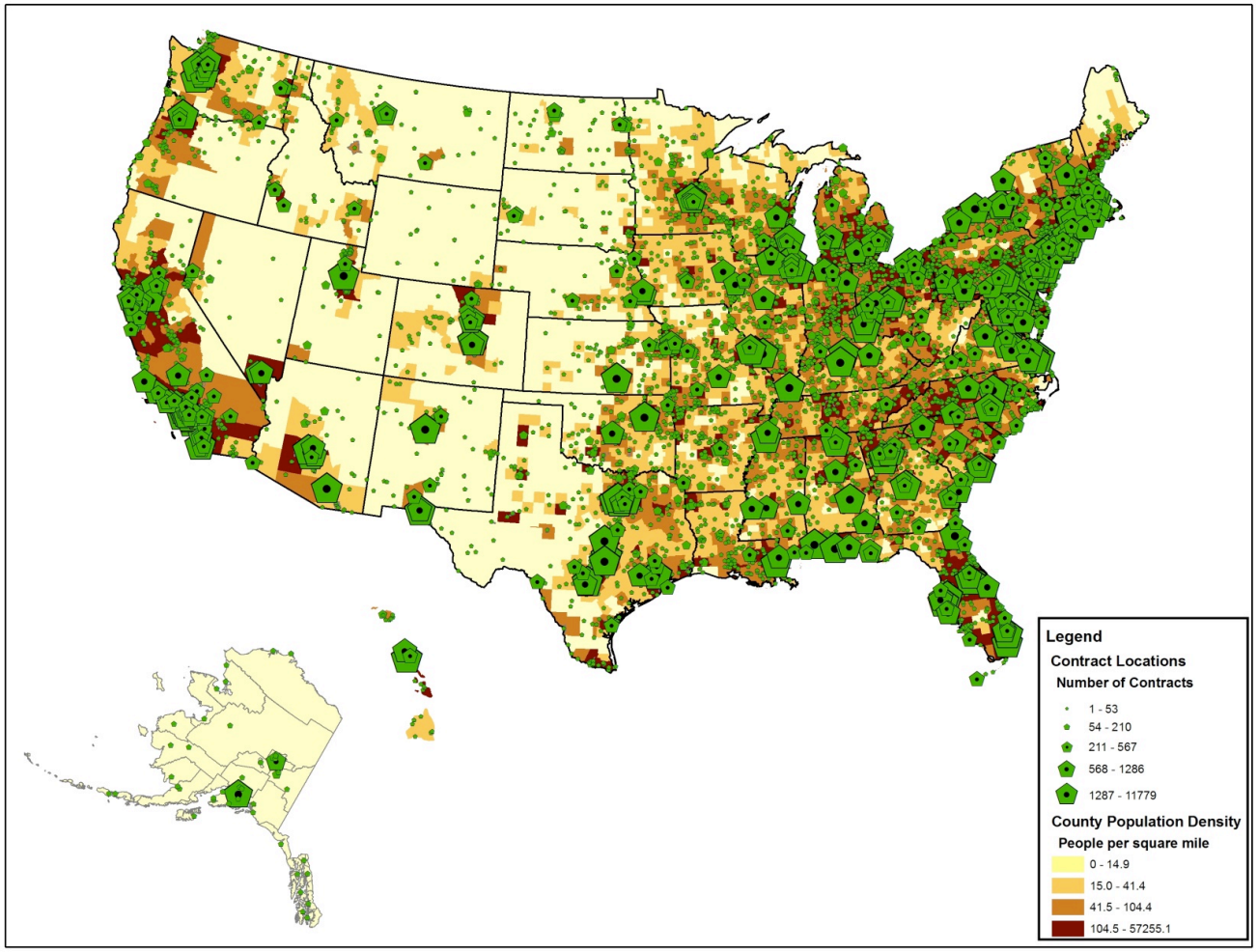
Appendix 2.5 – Allocation of FY1976 Defense Contracts



Appendix 2.6 – Allocation of FY1986 Defense Contracts



Appendix 2.7 – Allocation of FY1996 Defense Contracts



Appendix 2.8 – Allocation of FY2006 Defense Contracts

Appendix 3.1. Table of Descriptive Statistics				
Dependent Variables (continuous)	Mean	Standard Deviation	Minimum	Maximum
Defense Spending Score	0.6225994	0.3430504	0	1
Defense Spending Score (Democrats only)	0.4077421	0.2994701	0	1
Defense Spending Score (Republicans only)	0.8465494	0.220525	0	1
Controversial Weapons	0.5835641	0.3359385	0	1
Arms Sales	0.6035523	0.3096163	0	1
Defense Cuts	0.6835145	0.3303816	0	1
Independent Variables				
Low Density*Facilities (Continuous)	390777.6	464479.4	0	2927584
Low Density*Facilities (Democrats only)	333032.3	448732	0	2927584
Low Density*Facilities (Republicans only)	450962.7	473243.9	0	2349273
Low Density (Continuous)	188149.6	21394.77	0	196600.8
Low Density (Dem)	183029.3	28456.79	0	196583
Low Density (Rep)	193486.2	5967.387	153829.8	196600.8
Defense Facilities (count)	2.043678	2.425028	0	16
Defense Facilities (Dem)	1.756757	2.358346	0	16
Defense Facilities (Rep)	2.342723	2.459051	0	12
Military Population (count)	3990.444	8131.725	43	82240
Military Population (Dem)	4002.8	9223.217	43	82240
Military Population (Rep)	3977.567	6817.906	135	45191
Defense Committee (dummy)	0.1471264	0.3543677	0	1
Defense Committee (Dem)	0.1396396	0.3468733	0	1
Defense Committee (Rep)	0.1549296	0.362121	0	1
Defense Contribution (continuous)	11765.97	20326.19	0	207175
Defense Contribution (Dem)	10371.97	20934.04	0	207175
Defense Contribution (Rep)	13218.87	19583.6	0	143490
Party (dummy)	0.4896552	0.5000846	0	1
Ideology (continuous)	0.0117716	0.4211312	-0.832	1.045
Ideology (Dem)	-0.3657868	0.1804627	-0.832	0.499
Ideology (Rep)	0.4052833	0.156974	-0.575	1.045
N= 1305 corresponding to the number of districts across three Congresses. N=666 for all Democratic Districts; N=639 for all Republican districts.				

Appendix 4.1. Table of Descriptive Statistics

Dependent Variables	Mean	Standard Deviation	Minimum	**10%**	**50%**	**90%**	Maximum	N
Prime Contract Dollars (continuous)	151,000,000	692,000,000	0	0	0	336,000,000	17,600,000,000	1740
N Defense Contracts (count)	16.15305	54.41742	0	0	0	48	862	1738
N Subcontracts (count)	3.937931	6.727701	0	0	1	10	54	870
Independent Variables								
Density*Facilities	13,928.77	46,005.99	0	0	833.60	38,876	901,144.5	1740
Population Density (people/sq mi)	8,329.54	21,637.75	2.22	157.40	6,689.169	20,558.74	196,603.0	1740
Defense Facilities	2.43908	3.698728	0	0	1	7	47	1740
Defense Committee Member	.2045977	.4038718	0	0	0	1	1	1740
Defense Committee Leadership	0.0170115	0.1293437	0	0	0	0	1	1740
Headquarters	0.0632184	0.2907882	0	0	0	0	4	1740
Gunbelt	0.6189655	0.4857806	0	0	1	1	1	1740
Party	0.52	0.4997147	0	0	1	1	1	1740
Ideology	.062773	.4793629	-.875	-.53	.233	.6315	1.327	1740
Gunbelt Allocations								
Prime Contract Dollars (gunbelt)	205,000,000	851,000,000	0	0	0	536,000,000	17,600,000,000	1077
Prime Contract Dollar (non-gunbelt)	63,400,000	257,000,000	0	0	0	89,800,000	2,690,000,000	663
N Prime Contract (gunbelt)	20.93315	65.09024	0	0	0	58	862	1077

N Prime Contract (non-gunbelt)	8.364599	28.07633	0	0	0	19	289	661
N Subcontracts (gunbelt)	5.109665	7.870286	0	0	2	14	54	538
N subcontracts (non-gunbelt)	2.039157	3.534248	0	0	0	7	24	332
Partisanship & District Composition								
Population Density (Republicans)	2,268.84	4,508.97	2.22	112.91	1,829.138	6,216.28	36,888.3	903
Population Density (Democrats)	14,868.14	29,487.13	29.41	217.61	14,562.2	40,212.41	196,603.0	837
Defense Facilities (Republicans)	2.496124	3.503836	0	0	1	6	28	903
Defense Facilities (Democrats)	2.377539	3.899254	0	0	1	6	47	837
Defense Facilities, Low density (1st quartile) [Republicans]	2.014085	2.635678	0	0	1	6	13	284
Defense Facilities, Low density (1st quartile) [Democrats]	1.181818	1.928305	0	0	1	3	13	154

Appendix 4.2. Table of Economically Reliant Districts

Member of Congress -109th Congress (2005-2006)	District	State	Party	Population Density	# Defense Facilities
Young, Donald E.	1	AK	R	2.22178	13
Gibbons, Jim	2	NV	R	23.25397	4
Cubin, Barbara	1	WY	R	17.65281	3
Bonilla, Henry B.	23	TX	R	49.27853	6
McKeon, Howard P. (Buck)	25	CA	R	113.7822	9
Janklow, William J./ Herseth, Stephanie	1	SD	D	33.43214	2
Bishop, Rob	1	UT	R	118.444	7
Grijalva, Raul M	7	AZ	D	112.3566	5
Taylor, Gene	4	MS	D	330.0687	13
Carter, John R	31	TX	R	524.9293	18
Hefley, Joel	5	CO	R	295.7593	10
Nethercutt, George	5	WA	R	91.00121	3
Everett, Terry	2	AL	R	243.0076	8
Cramer, Bud	5	AL	D	531.2726	17
Ross, Mike	4	AR	D	125.9273	4
Cole, Tom	4	OK	R	260.5885	8
Davis, Jo Ann	1	VA	R	601.4974	14
McIntyre, Mike	7	NC	D	393.2233	9
Ryun, Jim	2	KS	R	175.4128	4
Tiahrt, Todd	4	KS	R	265.45	6
Kingston, Jack	1	GA	R	221.3098	5
Bass, Charles F.	2	NH	R	320.4823	6
McHugh, John M.	23	NY	R	161.2328	3
Tancredo, Thomas G	6	CO	R	551.9182	10
Jones, Walter B., Jr.	3	NC	R	342.3258	6
Marshall, Jim	3	GA	D	230.3529	4
Dicks, Norman D.	6	WA	D	299.0596	5
Udall, Mark	2	CO	D	397.808	6
Gallegly, Elton	24	CA	R	642.8491	9
Pickering, Charles W. (Chip), Jr.	3	MS	R	216.0164	3
Wilson, Heather	1	NM	R	504.1901	7
Edwards, Chet	11	TX	R	293.9391	4
Hobson, David L.	7	OH	R	809.1984	11
Spratt, John M., Jr.	5	SC	D	368.0385	5
Miller, Jeff	1	FL	R	524.0443	7
Larsen, Rick	2	WA	D	307.8799	4
Porter, Jon C.	3	NV	R	540.4948	6
Wolf, Frank R.	10	VA	R	1281.591	14
Kolbe, Jim	8	AZ	R	286.785	3
Allen, Thomas H.	1	ME	D	578.486	6
Aderholt, Robert	4	AL	R	294.6671	3
Hoekstra, Peter	2	MI	R	416.904	4
Rogers, Mike	3	AL	R	318.082	3
Forbes, J. Randy	4	VA	R	539.7436	5

Member of Congress -109th Congress (2005-2006)	District	State	Party	Population Density	# Defense Facilities
Shuster, Bill	9	PA	R	324.0652	3
Costello, Jerry F.	12	IL	D	540.228	5
Norwood, Charles W., Jr.	9	GA	R	349.5964	3
Schrock, Edward	2	VA	R	1852.126	15
Bartlett, Roscoe G.	6	MD	R	787.339	6
Wilson, Addison G. (Joe)	2	SC	R	531.4725	4
Feeney, Tom	24	FL	R	1483.955	11
Dunn, Jennifer	8	WA	R	812.3622	6
Ortiz, Solomon P.	27	TX	D	686.4715	5
Weldon, Dave	15	FL	R	923.3434	6
Scott, Robert C.	3	VA	D	2035.548	13
Simmons, Rob	2	CT	R	1164.755	7
Hayes, Robin	8	NC	R	727.9709	4
Istook, Ernest J., Jr.	5	OK	R	1286.319	7
Bradley, Jeb	1	NH	R	818.2983	4
Miller, Brad	13	NC	D	1039.37	5
McNulty, Michael R.	21	NY	D	1171.751	5
Hunter, Duncan L.	52	CA	R	1201.857	5
Turner, Mike	3	OH	R	1445.906	6
Beauprez, Bob	7	CO	R	1782.748	7
Price, David E.	4	NC	D	1845.268	7
Baker, Richard H.	6	LA	R	816.2053	3
Eshoo, Anna G.	14	CA	D	2895.622	10
Smith, Adam	9	WA	D	3204.331	11
Capps, Lois	23	CA	D	2394.188	8
DeMint, Jim	4	SC	R	1209.806	4
Hoyer, Steny H.	5	MD	D	1600.493	5
Akin, W. Todd	2	MO	R	1794.035	5
Inslee, Jay	1	WA	D	4311.622	12
Terry, Lee	2	NE	R	4867.593	13
Saxton, H. James	3	NJ	R	2271.285	6
Meehan, Martin T.	5	MA	D	3844.06	10
Moran, James P., Jr.	8	VA	D	19173.29	47
Gerlach, Jim	6	PA	R	2790.258	5
Kennedy, Patrick J.	1	RI	D	5401.147	9
Granger, Kay	12	TX	R	1931.382	3
Johnson, Sam	3	TX	R	5370.004	8
Reyes, Silvestre	16	TX	D	4355.25	6
Holt, Rush D.	12	NJ	D	3666.405	5

Appendix 4.3: Influence of Economic Reliance on Congressional Defense Committee Membership in the 106th – 109th Congresses (1999-2005)

Independent Variables	106th Congress	107th Congress	108th Congress	109th Congress Model A	109th Congress Model B
Density* Facilities[α]	-.012 (.0060)* [-0.06]	-.00743(.0056) [-0.04]	-.0001 (.0057) [-0.0009]	-.000211 (.0056) [-0.0018]	-.000284 (.0056) [-0.0024]
Facilities	.31 (.05)*** [0.16]	.24 (.05)*** [0.12]	.25 (.05)*** [0.16]	.28 (.05)*** [0.17]	.28 (.05)*** [0.17]
Density[α]	-.0251(.021) [-0.07]	-.022 (.019) [-0.07]	-.039 (.022) [-0.14]	.031 (.021) [-0.11]	.032 (.021) [-0.11]
Headquarters	-1.10 (.56)* [-0.04]	-.88 (.52) [-0.03]	-.23 (.53) [-0.01]	-.43 (.55) [-0.02]	-.42 (.55) [-0.02]
Gunbelt	.04 (.28) [0.003]	.49 (.29) [0.03]	-.04 (.26) [-0.003]	-.16 (.27) [-0.01]	-.16 (.27) [-0.01]
Ideology (Conservative)	.14 (.31) [0.009]	-.007 (.30) [-0.0005]	-.055 (.27) [-0.005]	.009 (.275) [0.0007]	--
Party (Republican)	--	--	--	--	-.05 (.27) [-0.004]
	N =435 McFadden's R^2= .15 Count R^2 = .81 Prob>Chi2=0.00	N=435 McFadden's R^2= .13 Count R^2= .81 Prob>Chi2=0.00	N=435 McFadden's R^2= .13 Count R^2= .76 Prob>Chi2=0.00	N= 435 McFadden's R^2 = .15 Count R^2 = .79 Prob>Chi2= 0.00	N= 435 McFadden's R^2 = .15 Count R^2 = .78 Prob>Chi2= 0.00

Note: Appendix 4.3 displays logit coefficients. Standard errors are in parentheses. Changes in predicted probabilities from +-1/2 standard deviation around the mean are in brackets. The dependent variable indicates a defense committee assignment (coded "1" for defense committee and "0" for non-defense committee assignment).

[α] Coefficients in thousand people/sq mile

***p<.001; **p<.01; *p<.05 (two-tailed test)

Appendix 4.4: Influence of Economic Reliance on Primary Defense Procurement Dollars (thousands) per District in the 106th – 109th Congresses (1999-2005)

Independent Variables	106th Congress	107th Congress	108th Congress	109th Congress	109th Congress (Condensed)
Density*Facilities	-.155 (.427)	-1.994*† (1.059)	-2.469*† (1.353)	-1.119* (.506)	.9001*† (.4935)
Facilities	451.56 (4,566.4)	10,000 (10,090)	14,600 (18,300)	16,600* (6,941)	29,500*** (7,422)
Density	.072 (.604)	.3332 (1.492)	1.745 (2.479)	.4356 (.9287)	-.4370 (1.009)
Defense Committee	43,900 (20,600)	45,500 (78,000)	314,000** (120,000)	73,100 (47,200)	57,000 (51,500)
Defense Cmte Leadership	29,000 (89,400)	113,000 (219,000)	391,000 (419,000)	421,000** (147,000)	314,000*† (160,000)
Headquarters	617,000*** (47,000)	1,280,000*** (116,000)	1,480,000*** (210,000)	719,000*** (786,000)	--
Gunbelt	10,400 (23,600)	5,000 (6,020)	100,000 (103,000)	21,000 (38,400)	33,300 (42,000)
Party (Republican)	10,400 (23,600)	-1190.4 (59,600)	44,500 (101,000)	-9,493.1 (38,000)	-747.53 (41,4000)
	N=435 R^2= .36 AdjR^2= .35 Prob>F=0.00	N=435 R^2= .28 AdjR^2= .26 Prob>F=0.00	N=435 R^2= .18 AdjR^2= .16 Prob>F=0.00	N=435 R^2= .29 AdjR^2= .28 Prob>F=0.00	N=435 R^2= .15 Adj.R^2= .14 Prob>F= 0.00

Note: All entries are standardized OLS coefficients. Standard errors are in parentheses. The dependent variable indicates prime defense contract dollars received per district. The data were extracted from the Federal Procurement Data System and transformed to the district level for the years 2000-2005. (The results are robust when the models control for members' ideology scores instead of partisanship.)

***p<.001; **p<.01; *p<.05 (two-tailed test), † (one-tailed test)

Appendix 4.5: Influence of Economic Reliance on the Number of Primary Defense Procurements Awarded per District in the 106th – 109th Congresses (1999-2005)

Independent Variables	106th Congress	107th Congress	108th Congress	109th Congress
Density* Facilities▫	.00911 (.0122) [1.44]	.0029 (.0114) [0.67]	-.00271 (.01) [-1.39]	-.00285 (.011) [-1.09]
Facilities	.319 (.034)*** [5.41]	.379 (.105)*** [12.16]	.353 (.108)** [13.54]	.329 (.113)** [9.31]
Density▫	.00091 (.0170) [0.09]	-.0046 (.0157) [-0.82]	-.0262 (.0166) [-5.42]	-.0256 (.0176) [-3.95]
Defense Committee	.064 (.392) [0.12]	.020 (.435) [0.07]	.477 (.403) [1.94]	1.078 (.501)* [3.18]
Defense Cmte Leadership	-1.04 (1.10) [-0.62]	-1.06 (1.21) [-1.18]	.943 (1.41) [.03]	.325 (1.38) [0.29]
Headquarters	1.65 (.568)** [2.05]	1.51 (.634)* [3.47]	1.59 (.663)* [4.59]	1.359 (.692)* [2.91]
Gunbelt	.198 (.286) [0.43]	.373 (.317) [1.50]	.443 (.354) [2.01]	.420 (.420) [1.42]
Party (Republican)	.014 (.307) [0.03]	.030 (.337) [0.12]	-.254 (.342) [-1.19]	-.135 (.481) [-0.47]
	N=434 PseudoR²= .04 Prob>F=0.00	N=435 PseudoR²= .03 Prob>F=0.00	N=435 PseudoR²= .03 Prob>F=0.00	N=434 PseudoR²= .03 Prob>F=0.00

Note: All entries are negative binomial regression coefficients. Standard errors are in brackets. Changes in predicted rates from +- 1/2 standard deviation around the mean are in brackets. The dependent variable indicates number of prime defense contracts received per district. The data were extracted from the Federal Procurement Data System and transformed to the district level for the years 2000-2005. (The results are robust when the models control for members' ideology scores instead of partisanship.)

▫ Coefficients in thousands people/sq mile

***p<.001; **p<.01; *p<.05 (two-tailed test); † (one-tailed test)

Appendix 4.6: Influence of Economic Reliance and Defense Committee Membership on the Number of Defense Subcontract Awarded per District, 106th & 109th Congress (1999-2005)

Independent Variables	106th Congress	109th Congress
Density* Facilities▫	-.00918 (.00364)* [-0.68]	-.00365 (.00279) [-0.42]
Facilities	.23 (.03)*** [1.82]	.21 (.03)*** [1.78]
Density▫	-.014 (.0069)* [-0.63]	-.017 (.0075)* [-0.79]
Defense Cmte	1.28 (.16)*** [1.10]	1.21 (.15)*** [1.10]
Defense Cmte Leadership	-.59 (.46) [-0.16]	.09 (.48) [0.02]
Headquarters	.41 (.26)*† [0.24]	.07 (.27) [0.05]
Gunbelt	.33 (.14)* [0.34]	.48 (.15)** [0.50]
Party (Republican)	-.02 (.15) [-0.07]	-.23 (.14)*† [-0.24]
	N=435 PseudoR²= .11 Prob>F=0.00	N=435 PseudoR²= .10 Prob>F=0.00

Note: All entries are negative binomial regression coefficients. Standard errors are in parentheses. Changes in predicted rates from +- 1/2 standard deviation around the mean are in brackets. The dependent variable indicates the principal location in which defense procurement projects are built. The data were extracted from the Federal Procurement Data System and transformed to the district level for the years 1999, 2000 and 2005. (The results are robust when the models control for members' ideology scores instead of partisanship.)

▫ Coefficients in thousand people/sq mi

***p<.001; **p<.01; *p<.05 (two-tailed test); †(one-tailed test)

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